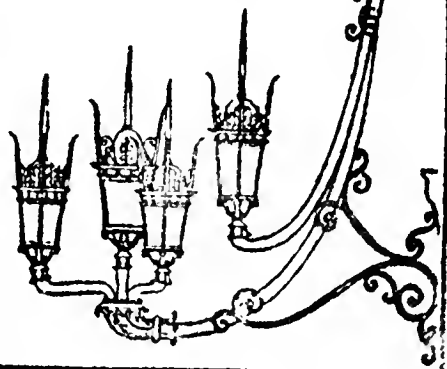


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# ANNUAL FINANCIAL REPORT

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C·I·T·Y O·F B·O·S·T·O·N

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& COUNTY OF SUFFOLK

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FISCAL YEAR ENDED

JUNE 30, 1987

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AUDITING DEPARTMENT

LEON P. STAMPS • CITY AUDITOR

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

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## CITY OF BOSTON & COUNTY OF SUFFOLK

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FISCAL YEAR ENDED  
JUNE 30, 1987

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RAYMOND L. FLYNN, MAYOR

AUDITING DEPARTMENT  
LEON P. STAMPS  
City Auditor



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

## Year Ended June 30, 1987

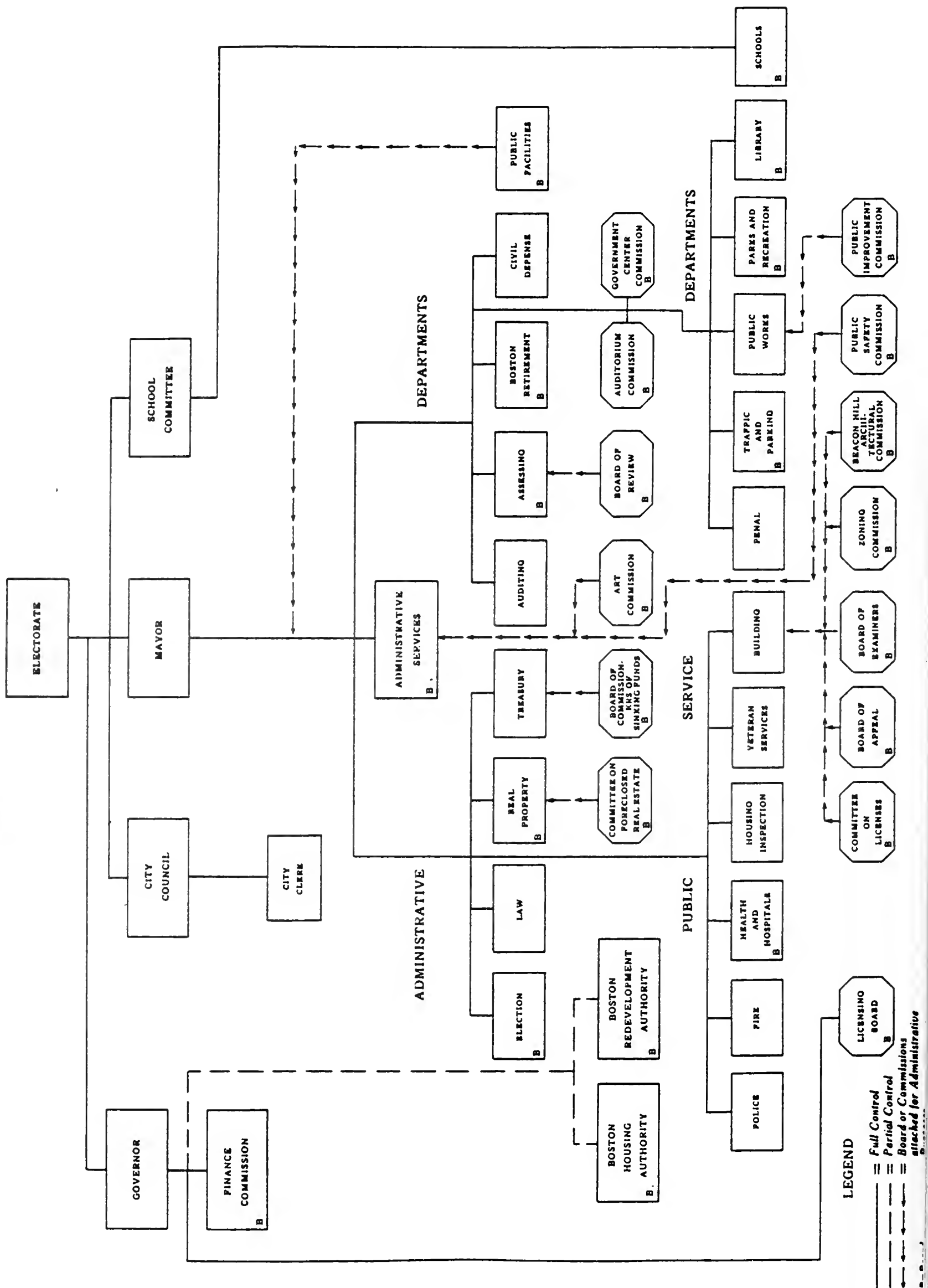
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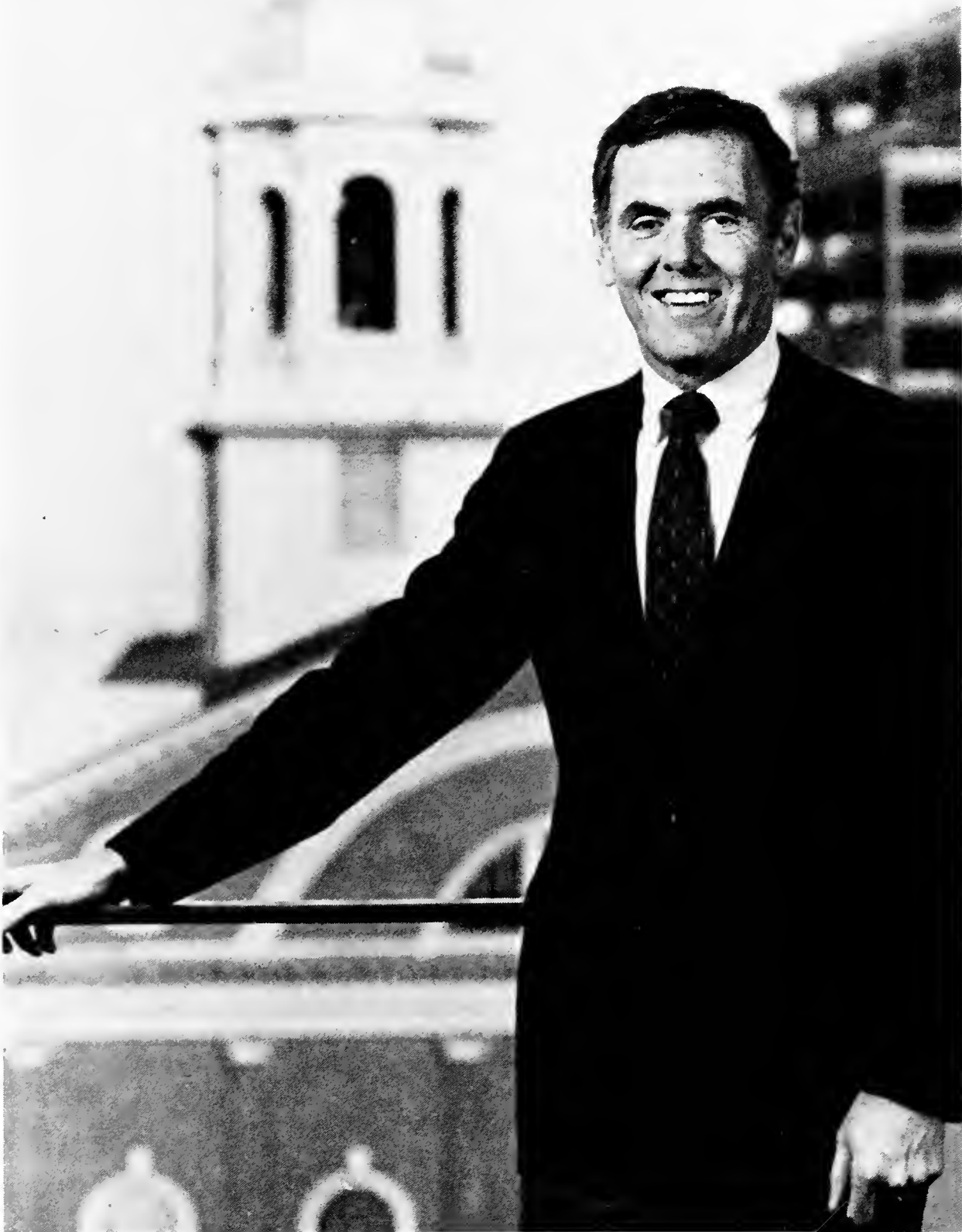
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# ORGANIZATION OF BOSTON'S CITY GOVERNMENT





**Raymond L. Flynn**  
**Mayor**

RAYMOND L. FLYNN  
MAYOR  
LEON P. STAMPS,  
CITY AUDITOR/COMPTROLLER  
HARVEY BETH  
DEPUTY CITY AUDITOR

Matthew McDonald  
Assistant City Auditor  
Accounting and Financial Reporting

Charles White  
Assistant City Auditor  
Special Projects

Marie Martin  
Assistant City Auditor  
Operations

John Cashmon  
Assistant City Auditor  
Internal Control Review

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Wai Seto

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Karyn Chedekel  
Allan Brodsky

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Mary Falzarano

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Loretta Daly  
Shiela Dietel  
Mary Maiullo  
John McLaughlin  
Julie Monroe  
John Murphy  
Theresa Stewart  
Valeria Thompson  
Richard Thompson  
Lillian Laurano  
Nicole Powell

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**ACCOUNT RECONCILIATION:**

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Phan Tu

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Ann Sutura

**PAYROLL:**

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Chiu-Lan Cheng  
Jeanine Fox  
Stephen Roberts  
Cosimo Vacca

**GRANT MONITORING:**

Mary Raysor  
Maria Engle  
Bertha Sanders  
Cheryl Clarke



**LEON P. STAMPS**  
City Auditor



**AUDITING DEPARTMENT  
CITY OF BOSTON AND COUNTY OF SUFFOLK**

*To the Honorable Mayor and the Members of the City Council:*

I am pleased to present to you the Comprehensive Annual Financial Report (CAFR) of the City of Boston and County of Suffolk, Massachusetts, for the fiscal year ended June 30, 1987.

This report is presented in three sections: (1) The Introductory Section, (2) The Financial Section, and (3) The Supplemental Information and Statistical Detail Section.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT FORMAT**

*(1) Introductory Section:*

This section of the CAFR provides an introduction to the report and includes the table of contents, this transmittal letter, an organization chart of the City, a financial summary and outlook for the future.

The financial summary has been presented in two sections. The first section summarizes the results of City operations on a budgetary basis. The second summarizes the significant highlights of the City's General Purpose Financial Statements.

*(2) Financial Section:*

The financial section of this report presents the City's General Purpose Financial Statements (GPFS), the Schedule of Federal Financial Assistance, and other required statements and schedules.

The City's GPFS and accompanying footnotes and disclosures have been audited by Peat, Marwick, Main & Co., Certified Public Accountants. The statements were prepared in conformance with the principles and standards for financial reporting adopted by the Governmental Accounting Standard Board (GASB).

The audited Schedule of Federal Financial Assistance, required by the Single Audit Act of 1984, presents all of the federal financial assistance programs the City of Boston participates in.

The balance of this section contains the combining statements, individual fund statements and schedules for individual fund types. These schedules and statements, and those contained in the Statistical Section, have not been audited by the independent auditors. They have, however, been prepared from accounting records which were adjusted to reflect the results of the audit.

*(3) Statistical Section:*

This section of the report includes data that reflect the financial trends and fiscal capacity of the City. As a result, these presentations encompass a period of more than two fiscal years. Nonfinancial data has also been included to assist the reader and provide a more complete presentation.

**ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

The City's accounting system is organized and operated on a "fund basis." The operations of each fund are accounted for with a set of self-balancing accounts. These accounts are maintained on a budgetary basis, in accordance with the requirements promulgated by the Commonwealth's Department of Revenue — Bureau of Accounts; as required by Chapter 44 of the Massachusetts General Laws.

The City's GPFS have been prepared in accordance with generally accepted accounting principles (GAAP) except that the city does not maintain records of its general fixed assets. The basis of accounting used for each fund and a summary of significant accounting principles can be found in Note 2 to the GPFS.

The Auditing Department's ability to track standard accounting functions has been enhanced through the acquisition of the Local Government Financial System ("LGFS"). This computerized financial management and accounting system has provided the City with an increased level of budgetary control over its financial resources. At the same time, on-line access to budgetary information provides department managers with a tool to better monitor their own performance.



## **CASH MANAGEMENT**

Throughout FY 1987 the City maintained a strong General Fund cash position. An aggressive tax collection process helped to boost the City's cash position from a beginning balance of \$70.2 million to an ending balance of \$285.4 million. Because of this comfortable cash position, the issuance of revenue anticipation notes was unnecessary in FY 1987. A successful refunding of general obligation debt earlier in FY 1987 helped to achieve interest savings of over \$5 million over the next twenty years.

## **THE REPORTING ENTITY**

For financial reporting purposes the City includes all funds, account groups, organizations, activities and functions for which the City exercises an oversight responsibility. The City, as more fully explained in Note 1 to the GPFS, considers factors such as financial interdependency, selection of governing authority, designation of management, ability to influence operation, and fiscal accountability in determining oversight responsibility.

The financial results of the component units have been included in the City's GPFS to provide a more complete picture of the City's financial operations. The City's component units include the State-Boston and Boston Retirement Systems, the Boston Redevelopment Authority, and the Economic Development and Industrial Corporation of Boston. However, the Boston Industrial Development Finance Authority and the Boston Water and Sewer Commission do not meet the established criteria and have been excluded from this report.

## **CITY ORGANIZATION AND ITS SERVICES**

The City of Boston was incorporated as a town in 1630 and as a City in 1822. The City now exists under Chapter 486 of the Acts of 1909 and Chapter 452 of the Acts of the Commonwealth which, as amended, constitute the City's charter.

The Mayor is the chief executive officer of the City, elected by the voters to a four-year term. The Mayor appoints the City Auditor, the Collector-Treasurer, the Commissioner of Assessing, the Director of the Administrative Services Department, the Director of the Office of Budget and Program Evaluation, the Director of Capital Planning and other executive department heads. Except for school affairs, the Mayor possesses the executive powers of the City, which are exercised by the boards, commissions, officers and departments of the City under his general supervision and control.

The City Council is the legislative body of the City, which consists of thirteen members serving two-year terms. Of the thirteen members of the City Council, four are elected at large and nine are elected from geographic districts.

The City provides a wide range of government services. The major service areas are Public Safety; Public Health Services; Schools; Libraries; Public Works; Property & Development Services; Parks and Recreation etc. The City also funds certain employee benefits, pays for state assessments and meets debt service requirements. Exhibit C of the GPFS contains a listing of major services being rendered, the related appropriations and funds budgeted for the year and the monies actually expended or encumbered for the related service during the year. A more detailed description of the particular services and the resources expended, on a fund-by-fund basis, can be found in the various schedules presented in the Statistical Section of this CAFR.

A brief explanation of the services provided by each of the City's component units is presented in the following paragraphs:

*(1) State-Boston Retirement System and Boston Retirement System:*

The State-Boston Retirement System (SBRS) is a defined benefit contributory retirement plan covering employees of the City of Boston, Boston Housing Authority and Boston Redevelopment Authority. The system is subject to benefit provisions and financing requirements set forth primarily in Chapter 32 of the Massachusetts General Law.

The Boston Retirement System (BRS) is an independent contributory retirement system available exclusively to those City employees who were appointed prior to the establishment of the SBRS on October 1, 1946.

*(2) Boston Redevelopment Authority:*

The Boston Redevelopment Authority (BRA) administers urban development projects and is the City's general planning agency. A majority of the board members are appointed by the Mayor. The geographical limits are the same as those of the City and the City has residual interest in BRA net assets.

*(3) Economic Development and Industrial Corporation of Boston:*

The EDIC is a quasi-public agency of the City whose primary purpose is to contribute to the economic development of the city through the improvement of property acquired by purchase or eminent domain proceedings and through the construction of development projects for sale or lease to industrial occupants. The Mayor appoints the members of the board and approves the EDIC's designation of areas within the City as economic development areas. The City finances a portion of EDIC annual operations and provides resources for its development activities.

## ACKNOWLEDGMENTS

The preparation of this report has been accomplished through the professional and dedicated services of the Auditing Department. I wish to personally express my appreciation to all members of the department who contributed to its preparation. I would also like to thank all City departments and divisions for their cooperation throughout the year. In addition, I and the members of my staff are grateful for the invaluable guidance provided by the staff of our independent auditors Peat, Marwick, Main & Co.

Finally, I thank Mayor Raymond L. Flynn, members of the City Council and the Audit Committee for their continued interest and support in the professional and innovative administration of the City's fiscal operations.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'L. P. Stamps', with a long horizontal flourish extending to the right.

LEON P. STAMPS,  
City Auditor.

## FINANCIAL SUMMARY

### RESULTS OF CITY OPERATIONS BUDGETARY BASIS

#### OVERVIEW

#### BUDGET SURPLUS

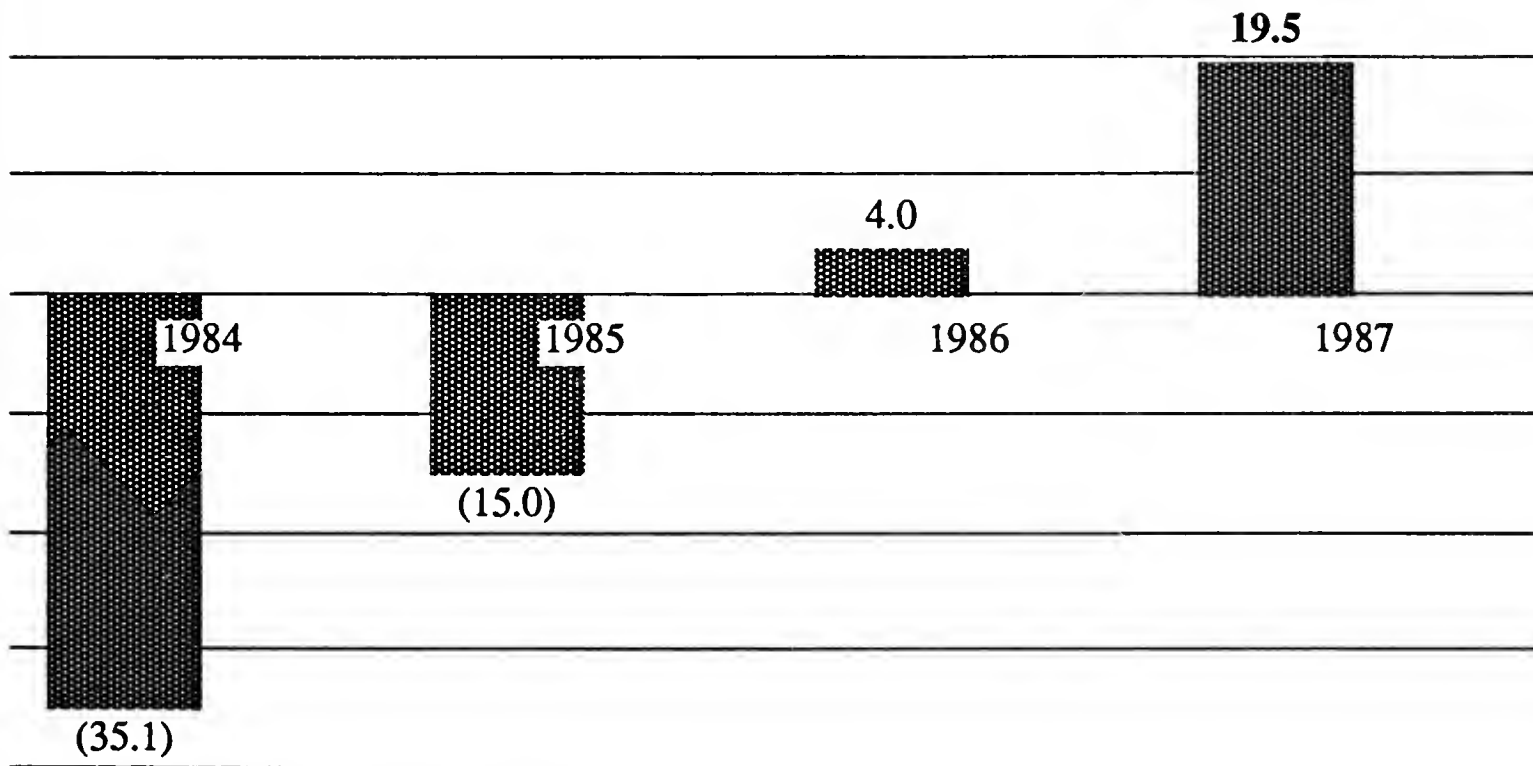
The budget surplus in FY 1987 was \$9.4 million. This and the \$6.8 million surplus in FY 1986 were the first in over a decade for the City of Boston. Growth in recurring revenues and property taxes have been the major contributing factors in the progressive growth of annual budget surpluses.

#### “FREE CASH” POSITION

Free cash represents the amount of funds that are unrestricted and available for appropriation. These available funds, once certified by the Massachusetts Department of Revenue, may be used to support supplemental appropriations. The free cash position has significantly improved over the past four fiscal years. In accordance with the provisions of the Massachusetts General Laws, Chapter 57, Section 23, the amount of free cash for FY 1987 is certified at \$19.5 million, and is available for future appropriations.

The following graph indicates the significant improvement in Boston's free cash position in the past four fiscal years:

#### Free Cash Position (\$ in the millions)



SOURCE: City of Boston Auditing Department

## REVENUE SUMMARY

The City generated total revenues of \$1.1 billion during FY 1987. This represented an increase of ten percent over the amount of \$1 billion generated during FY 1986.

Property tax revenues and state aid from the Commonwealth of Massachusetts continued to be the two most significant sources of revenue, comprising in aggregate approximately seventy percent of the total General Fund revenues for FY 1987.

The City continued to add new growth to its tax rolls. The Real and Personal Property Tax levy raised a combined aggregate of \$392 million for FY 1987, this amounted to \$37.5 million or 10.6 percent above FY 1986 revenue receipts. The Motor Vehicle Excise Tax, Hotel and Motel Excise Tax and Aircraft Fuel Excise Tax increased by a combined total of \$39.5 million, an increase of \$8.6 million or twenty-eight percent.

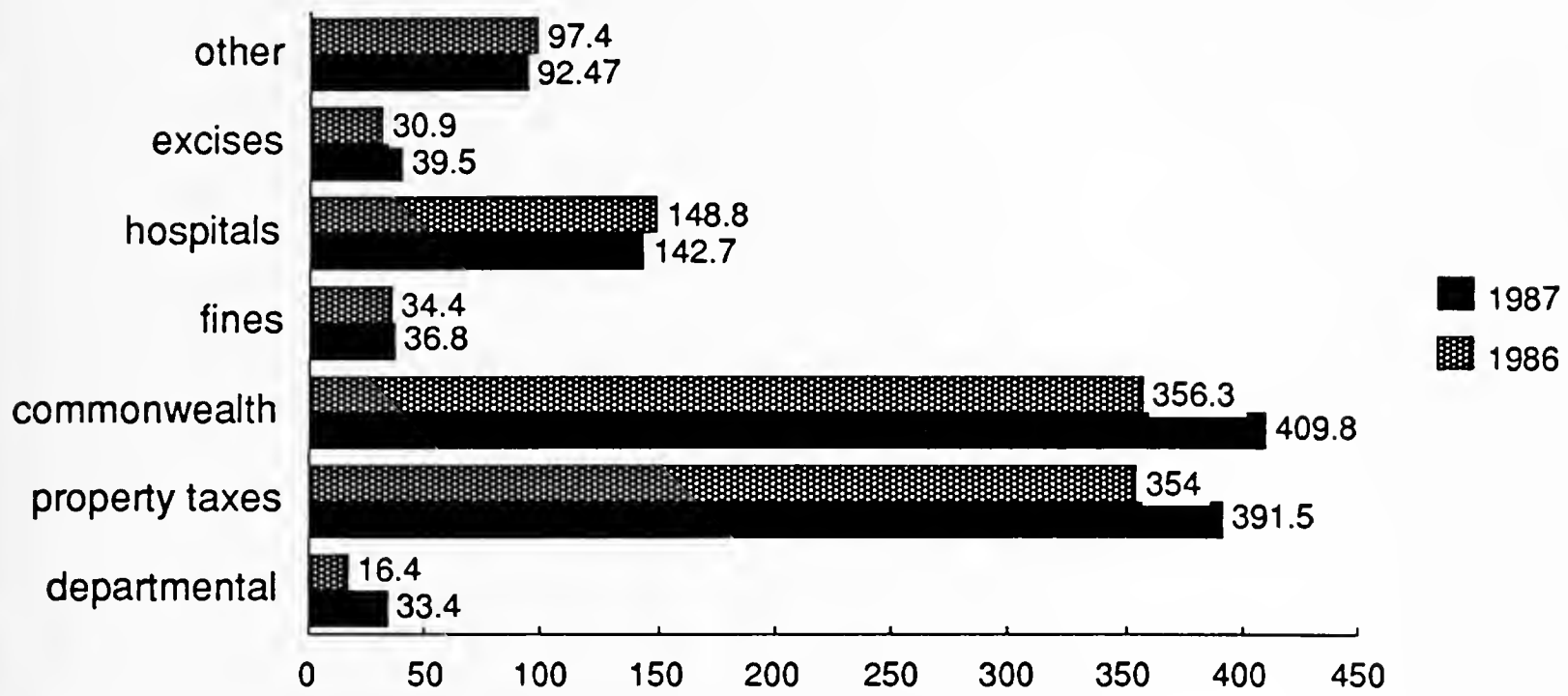
Revenues received from the Commonwealth amounted to \$409.8 million, accounting for an increase of \$54.8 million from prior year receipts.

Overall, actual revenues and other available funds exceeded their budgeted amounts by \$5.5 million. This was the third consecutive year that the city experienced a revenue surplus.

### REVENUES CLASSIFIED BY SOURCE GENERAL FUND (IN MILLIONS OF \$)

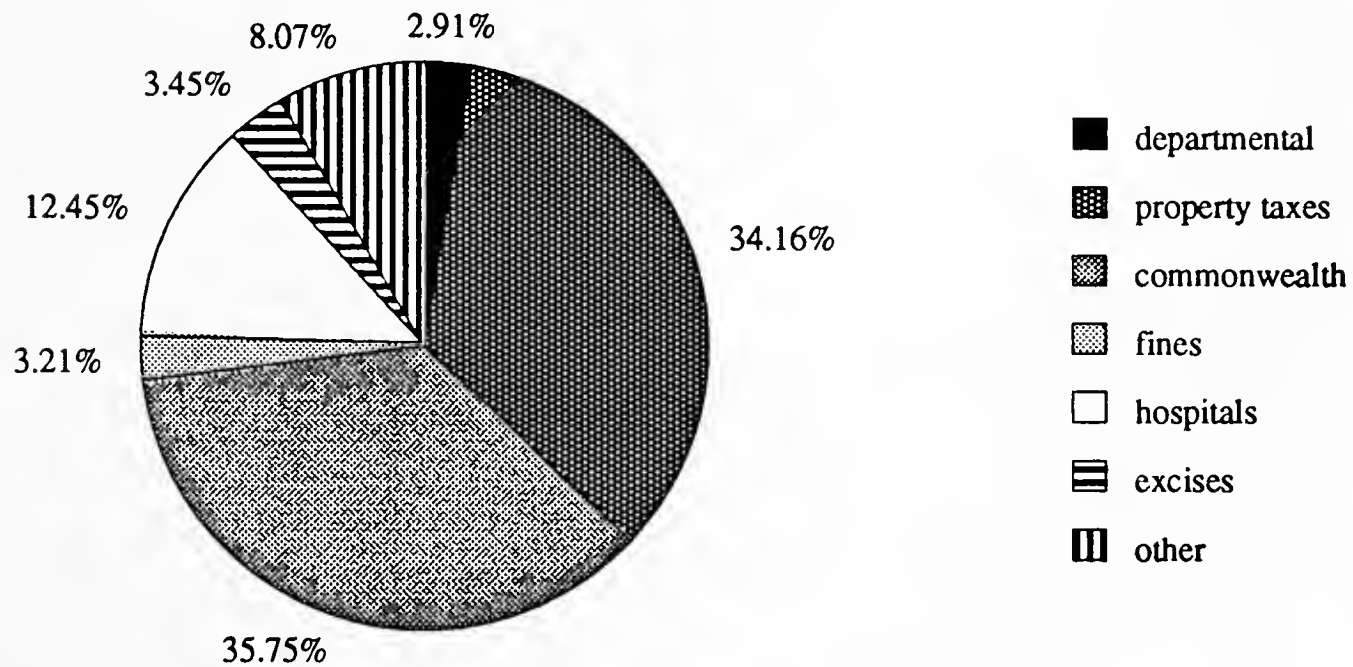
Revenues by Source	Amount		% of Total		Increase (Decrease) from 1986	
	1987	1986	1987	1986	Amount	Percent
Property Taxes	391.5	354.0	34.2	34.0	37.5	10.6
Motor Vehicle Excises	15.8	13.9	1.4	1.3	1.9	13.7
Other Excises	23.7	17.0	2.1	1.6	6.7	39.4
Departmental	33.4	19.4	2.9	1.9	14.0	72.2
Hospital	142.7	148.8	12.5	14.3	-6.1	-4.1
Commonwealth	409.8	356.3	35.8	34.2	53.5	15.0
Payment in Lieu of Taxes	17.5	15.6	1.5	1.5	1.9	12.2
Fines	36.8	34.4	3.2	3.3	2.4	7.0
Investment Income	19.5	20.5	1.7	2.0	-1.0	-4.9
Licenses and Permits	18.6	18.2	1.6	1.7	0.4	2.2
Available Funds	20.0	18.1	1.7	1.7	1.9	10.5
Transfers from Other Funds	16.8	25.0	1.5	2.4	-8.2	-32.8
Sales of Garages	0	0	0.0	0.0	0.0	0.0
Totals	1,146.1	1,041.2	100.0	100.0	104.9	10.1

## GENERAL FUND REVENUES (Actual)



SOURCE: City of Boston Auditing Department

## Percentage of Revenues Fiscal Year 1987



SOURCE: City of Boston Auditing Department

## **REVENUE CHANGES BY SOURCE**

### **Real and Personal Property Taxes**

Property tax collections have been the City's most significant revenue source. Revenues for FY 1987 were \$37.5 million, or 10.6% higher than the prior year's collections. This increase in property tax revenues was primarily due to the City's aggressive efforts in collecting both current and delinquent taxes as well as the increased taxable property base, a direct effect of the economic prosperity experienced in both the City and the State.

### **Motor Vehicle Excise Taxes**

The Commonwealth of Massachusetts imposes an Excise Tax on the registration of motor vehicles. The proceeds of this tax are collected by the municipality in which the registered owner resides. Over the past several years the motor vehicle excise tax has exhibited steady growth. An increase of \$1.9 million, or 13.7%, in revenue collections during FY 1987 were attributable to the State's economic growth which resulted in increased employment opportunities and higher wages and aggressive collection programs designed to eliminate delinquent tax accounts from prior years.

### **Hotel/Motel and Jet-Fuel Excise**

In 1985 State legislation was enacted which authorized two local option excise taxes. One option provides for a local room-occupancy excise tax at a rate of up to 4% of the total amount of rent for each occupancy. The other option provides for an excise tax on the sale or use of jet fuel at a rate of 5% of the average sales price, but not less than five cents per gallon. Revenue collections during FY 1987 were \$23.7 million, as compared to \$17 million in FY 1986. This translates into a 39.4% increase.

### **Departmental Revenue**

As a result of increased economic activity and administrative initiatives, departmental revenues for FY 1987 have increased by \$14 million to \$33.4 million. This represents a 72.2% increase over FY 1986 collections. The most significant sources include penalties and interest on property assessments, court house rental fees, registration of deeds, parking facilities fees, etc.

### **Hospital Receipts**

The FY 1987 decrease of \$6.1 million in hospital receipts, a 4.1% drop compared to FY 1986, is primarily due to the changes in recognition of reimbursements for free care services provided by Boston City Hospital. Prior to FY 1987, under the terms of Chapter 372, the Medicaid and Medicare programs reimbursed Boston City Hospital for a portion of the cost of providing free care to patients. Current legislation, however, has altered the accounting of revenues in this particular area.

### **State Distribution**

This revenue source increased significantly in response to the property tax reduction mandated by Proposition 2½ and the loss of Federal Revenue Sharing funds. There was also an increase in educational distributions for items like Chapter 70, the transportation of pupils, tuition for state wards, general governmental reimbursements for local aid and the City of Boston funding loan act of 1982. Revenues received from the Commonwealth of Massachusetts totalled \$409.8 million for FY 1987, a 15% increase compared with the \$356.3 million received in the previous fiscal year.

### **Payment in Lieu of Taxes**

Increased payments from Massport and voluntary section 6 payments from Chapter 121A corporations have resulted in a \$1.9 million gain in this revenue source, a 12.2% increase over last year.



**Parking Fines**

The City has managed an increasingly effective and efficient program of parking fine collections. As a result, total fine receipts jumped to \$36.8 million, a \$2.4 million, or 7.0%, increase over last year. Parking fines represented \$34.7 million of these total receipts. A few of the enforcement methods utilized by the City's Parking Clerk include non-renewal of motor vehicle registration, increased booting and increased issuance of fines for public safety violations.

**Investment Income**

Investment income is a function of the prevailing interest rates and the daily cash balances throughout the year. FY 1987 interest earnings totalled \$19.5 million. This represents a 4.9% decrease over last year's interest earnings of \$20.5 million.

**Licenses and Permits**

The increase in the level of development that has taken place in Boston and improvement in the Inspectional Services Department has resulted in better collection rates and more accurate estimates of building projects. Revenues in FY 1987 were \$18.6 million, an increase of 2.2% over FY 1986.

## EXPENDITURE SUMMARY

Expenditures for General Fund operations were \$1.1 billion during FY 1987. This level was \$110.1 million, or 10.9%, over the amount expended in FY 1986.

Approximately 70% of this total increase in General Fund expenditures was due to an increased emphasis on four essential community service areas including Public Safety, Public Works, Schools and Health and Hospitals.

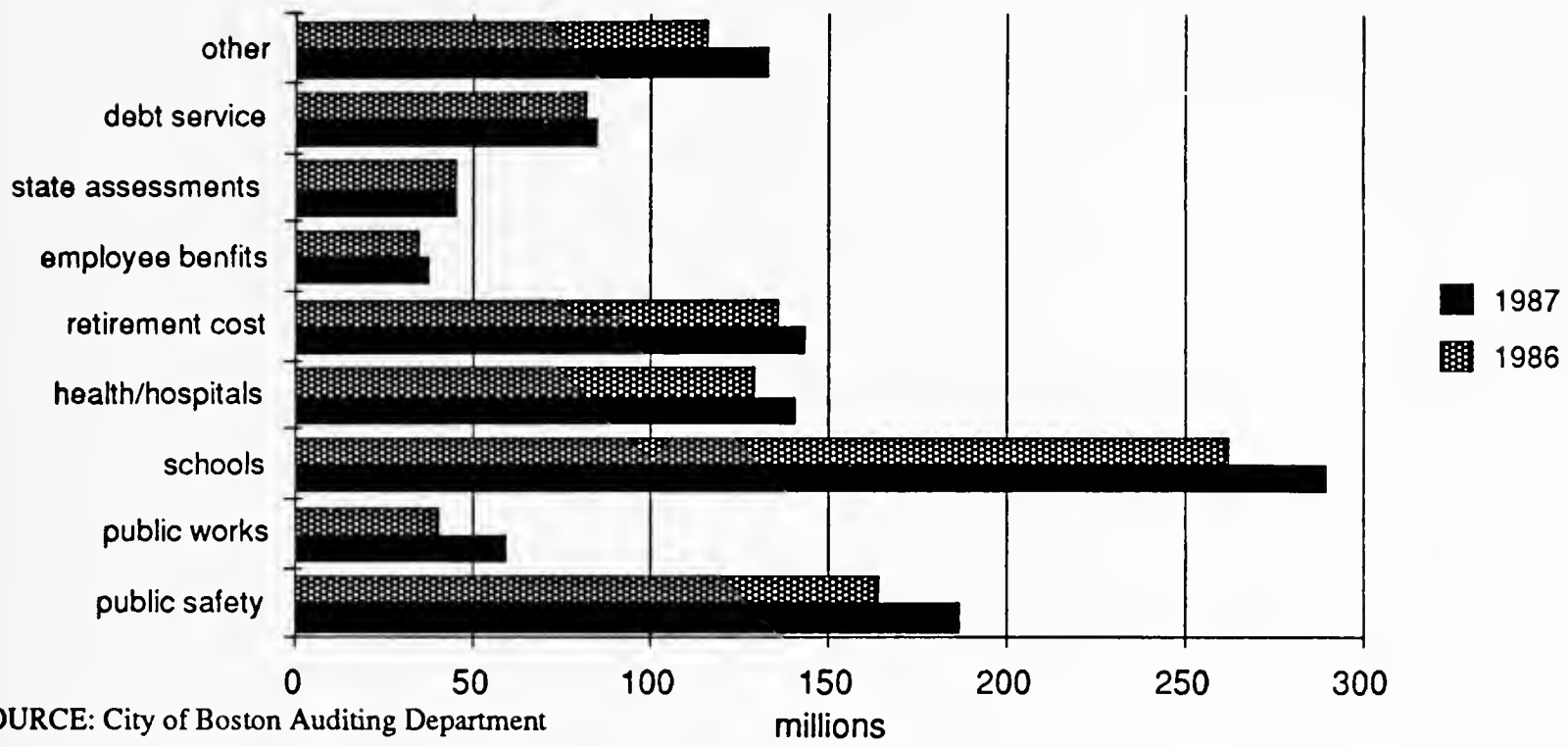
Public safety expenditures increased in FY 1987 as a result of a major initiative to increase responsiveness to neighborhood concerns. This initiative involved the upgrade of departmental equipment and an increase in staffing levels. The City's waste management costs nearly doubled in FY 1987 contributing in large measure to the 45.4% increase in expenditures for Public Works. The City's commitment to school programs in FY 1987 was exhibited by a \$27.8 million increase in funding. Finally, the dramatic increase in health care costs throughout the 1980s underscores the crucial role of the Department of Health and Hospitals in the City of Boston and has contributed to an \$11.8 million increase in expenditures in FY 1987.

Overall, actual expenditures were \$3.8 million less than that budgeted resulting in an appropriation surplus for FY 1987. The following table presents a comparative summary of the various expenditure classifications.

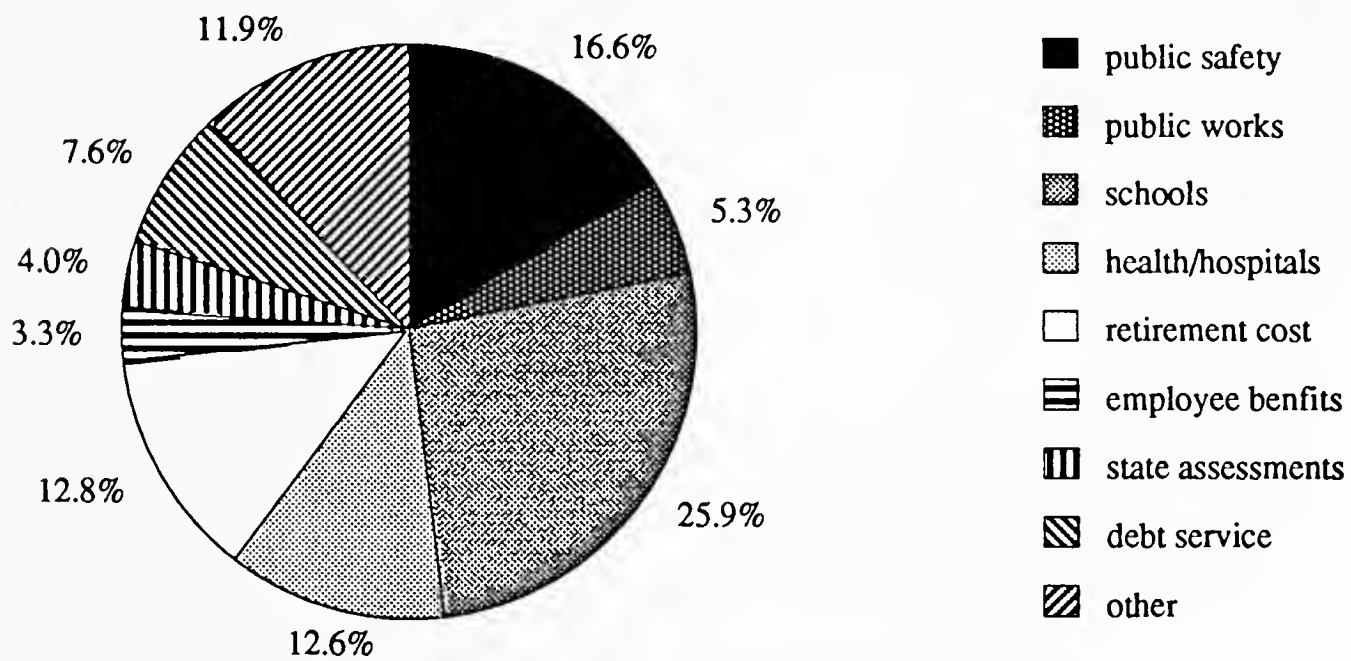
### EXPENDITURES CLASSIFIED BY MAJOR SERVICE AREA (IN MILLIONS OF \$)

Major Service Area	Amount		Increase (Decrease) from 1986	
	1987	1986	Amount	Percent
General Government	48.7	36.4	12.3	34.0
Public Safety	186.4	164.0	22.4	13.7
Public Works	59.5	40.9	18.6	45.4
Property and Development	23.3	20.9	2.4	11.4
Library	17.6	13.5	4.1	30.4
Parks and Recreation	10.8	6.9	3.9	56.7
Human Services	6.0	5.4	0.6	11.3
Schools	290.0	262.2	27.8	10.6
Health and Hospitals	140.8	129.0	11.8	9.1
County	22.2	19.5	2.7	13.7
Retirement Cost	143.7	136.3	7.4	5.4
Employee Benefits	37.4	35.2	2.2	6.3
Judgment/Claims	4.7	13.8	-9.1	-65.9
State Assessments	45.2	45.6	-.4	-.8
Debt Service	85.3	81.9	3.4	4.1
Totals	1,121.6	1,011.5	110.1	10.9

### GENERAL FUND EXPENSES Fiscal Year 1987-86



### GENERAL FUND EXPENSES Fiscal Year 1987



SOURCE: City of Boston Auditing Department

## **GENERAL FUND EXPENDITURE CHANGES**

### **General Government**

As a result of several new initiatives designed to provide efficient management services and an increased level of internal support, FY 1987 expenditures for general government services increased 34.0%, from \$36.4 million in FY 1986 to \$48.7 million.

### **Public Safety**

A major initiative to increase responsiveness to neighborhood concerns and to upgrade departmental equipment resulted in a \$22.4 million, or 13.7%, increase in public safety expenditures over the previous fiscal year. Some elements of the initiative include the hiring of fifty new employees in the Traffic and Parking Department as well as the signing of a new towing contract. The staffing levels were also increased for the Police and the Fire Departments with an overall salary increase for existing employees. Finally, the Inspectional Service Department became responsible for code enforcement of the new city wide Rodent Control Program.

### **Public Works**

Expenditures for public works increased by \$18.9 million, a 45.4% change from the prior fiscal year. This increase was a result of the sharp increase in waste management costs. The City's garbage hauling and disposal costs increased by nearly 85% in FY 1987.

### **Property and Development**

An increased level of community services resulted in a \$2.4 million, or 11.4%, increase in expenditures over the prior fiscal year. Some of the areas of community service experiencing increases include educational and recreational services, elderly care and child care to city residents through neighborhood based facilities, management of parking facilities, the clean up and maintenance of vacant lots and foreclosed buildings.

### **Library Department**

In order to provide library services on Saturday new employees were hired and salaries were upgraded for existing employees. This expansion of services resulted in an expenditure increase of \$4.1 million in FY 1987, a 30.4% increase over last year's expenditure.

### **Parks and Recreation**

The \$3.9 million, or 56.7%, increase in expenditure from FY 1986 to FY 1987 was a consequence of hiring 400 additional full and part-time employees to maintain the City's 186 parks, playgrounds and athletic fields. Additional spending on parks programs and overall salary increases also contributed to this rise in parks and recreation expenditures.

### **Human Services**

Several factors contributed to the \$600,000 increase in FY 1987 human services expenditures. Primarily, the administrative costs for the Rent Equity Board increased by 33% due to a special emphasis on complying with the city's Rent Equity Ordinance (Chap. 34 of the Acts of 1984). There are 85,000 units subject to the Rent Equity Board's jurisdiction. Also, the administrative costs for the Commission on Affairs of the Elderly increased by 15%.

### **Schools**

The City has demonstrated its commitment to education through its financial support. Spending in FY 1987 totalled \$290 million, a \$27.8 million, or 10.6%, increase over FY 1986 expenditures. This commitment of resources will allow the School Department to purchase more school supplies, institute drop-out prevention programs and increase its attention to school building maintenance. The School Department serves an enrollment of 56,635 students and utilizes 118 school buildings.

**Health and Hospitals**

In FY 1987, Department of Health and Hospitals expenditures increased by \$11.8 million. This represents a 9.1% increase over FY 1986 expenditures and reflects the dramatic increase in health care costs throughout the 1980s. The general rise in health care costs accentuates the crucial role the Department of Health and Hospitals plays in the City of Boston's health care delivery system. Over 17,000 inpatients receive care at Boston City Hospital every year. Another 230,000 patients visit the city hospital's outpatient clinics or are treated in the hospital's emergency room. Approximately 50% of these patients are uninsured and unable to pay for the medical care they receive. In addition, the Mattapan and Long Island Chronic Disease Hospitals provide long-term medical care and a range of emergency shelter services. A network of neighborhood health centers are affiliated with the city hospital to deliver ambulatory and preventive care throughout the city.

**County**

City appropriations are made to Suffolk County for the Registry of Deeds, the Courthouse, the Suffolk County Jail and the Penal Department. Higher operating costs at these facilities resulted in a 13.7% increase in expenditure from \$19.5 million in FY 1986 to \$22.2 million in FY 1987.

**Judgment and Claims**

The expenditure for Judgment and Claims decreased by \$9.1 million, or 65.9%, between FY 1986 and FY 1987. The decline was due to provisions made for repayment of balances, in FY 1986, for CETA grants and payments made to Boston Edison Company.

**SIGNIFICANT FINANCIAL HIGHLIGHTS**  
**GAAP BASIS**

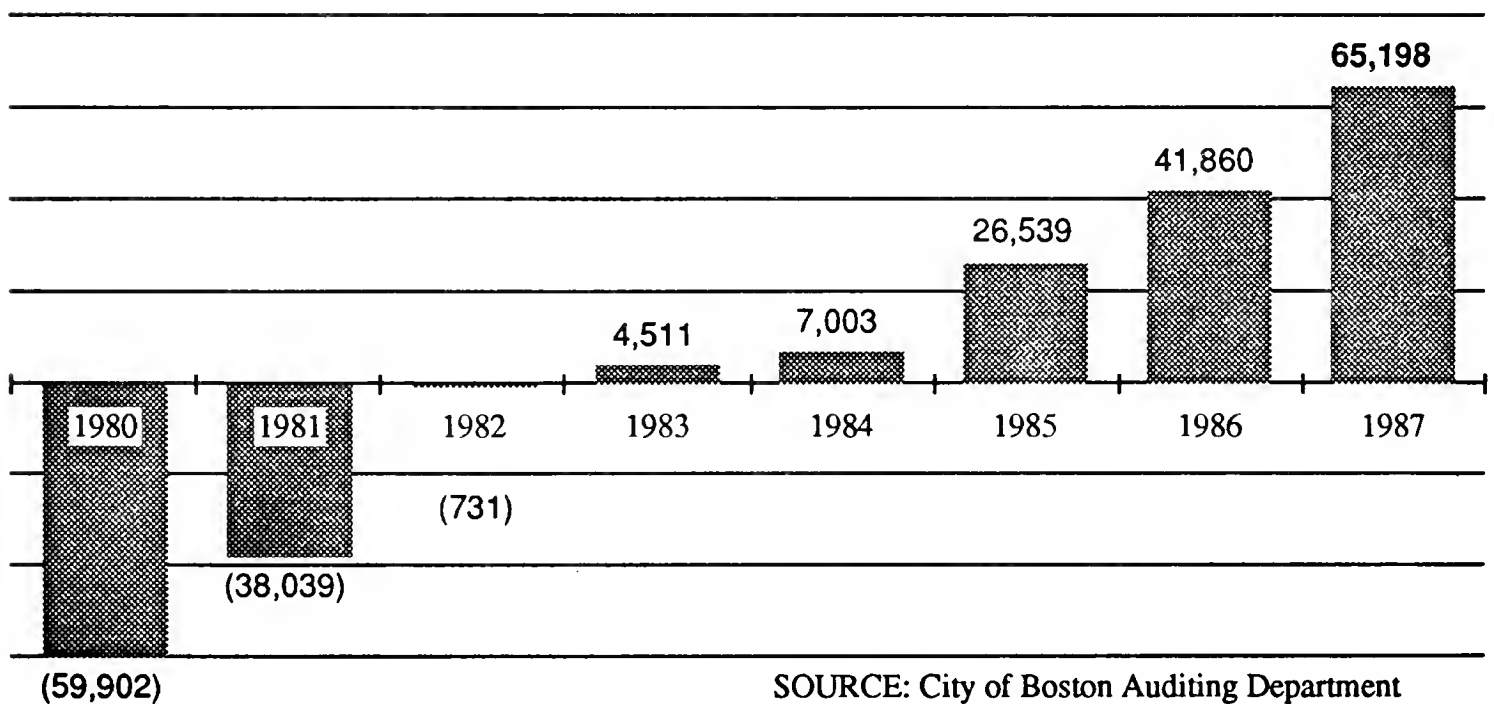
**GENERAL FUND FUND EQUITY**

The fund equity position for the General Fund has improved remarkably over the past five years. The chart below illustrates this continued positive trend. The City of Boston's efforts to sustain a balanced budget, sound financial management policies, and the implementation in recent years of programs such as computerized tracking, program budgeting and budget allotment systems have significantly contributed to the positive climb in fund equity. FY 1983 was the first year in this decade to record a positive fund equity balance.

YEAR	FUND EQUITY AT YEAR-END	INCREASE (DECREASE) FROM PRIOR YEAR
1987	65,198	23,338
1986	41,860	15,321
1985	26,539	19,536
1984	7,003	2,492
1983	4,511	5,242
1982	(731)	37,308
1981	(38,039)	21,863
1980	(59,902)	—

Fund equity in FY 1987 increased by \$23.3 million. The \$9.4 million budget surplus and other GAAP adjustments to the City's budgetary accounts contributed to this increase.

**City of Boston**  
**General Fund - Fund Equity**  
(\$ in thousands)



## **INCREASED GENERAL FUND CASH POSITION**

The City's cash position was significantly higher due to the fact that bills for the 1987 property tax levy were mailed and revenues collected on a timely basis. Also, a high percentage of revenue collections that pertained to FY 1986 were not collected until FY 1987.

## **DECREASE IN PROPERTY TAX RECEIVABLE**

The same factors that contributed to an increased cash position also contributed to a significant drop in FY 1987 property tax receivable. Due to the timely receipts during FY 1987, less monies were recorded as being due from the taxpayers in FY 1988.

## **ABATEMENT LIABILITY**

The City's estimated liability for property tax abatements increased by \$61.4 million during FY 1987, up from \$144.5 million at the close of FY 1986 to \$205.9 million at the close of FY 1987. This increase is a direct result of the City's policy to record an estimated liability for the maximum possible loss for all abatement cases where a refund is probable. This liability represents a worst case scenario. Recent court judgments have indicated the strength of the City's position and have resulted in lower actual refunds than originally estimated. The major portion of this liability is related to abatement appeals prior to the revaluation in FY 1983 which assert that the City disproportionately assessed and improperly classified properties.

Due to the uncertainties surrounding the amount the City will ultimately be required to refund to taxpayers and when the refunds will be paid, our independent auditors have qualified their opinion on our financial statements. Their qualification is contained in the fourth paragraph of the opinion.

## **CHAPTER 372 REVENUE**

Under the terms of Chapter 372, the Medicaid and Medicare programs reimbursed Boston City Hospital for a portion of the cost of providing free care to patients. The determination of these free care reimbursement amounts was subject to uncertainties with respect to the revenues accrued by the Hospital. The Hospital has reached a tentative agreement with both Medicaid and Medicare on the amount of free care reimbursement due to the hospital under Chapter 372. As a result of this action our auditors have removed this particular qualifications from their opinion on our financial statements.

## **REFUNDING OF GENERAL OBLIGATION DEBT**

On August 26, 1986 the City was issued \$58.5 million in General Obligation (G.O.) bonds to refund, in advance, \$47.8 million of G.O. bonds. The net proceeds from the refunding were deposited in an irrevocable trust to provide for the future debt service payments on the refunded bonds.

The City's refunding was not considered to be a defeasance of the debt, according to GAAP. Therefore, this has created a dual debt situation for financial reporting purposes only.



## **OUTLOOK FOR THE FUTURE**

### **FISCAL OUTLOOK**

#### **Capital Planning**

To restore the physical integrity of the City's buildings, infrastructure and open space, the current administration has introduced a series of management initiatives. In 1984 the Office of Capital Planning was created and an unprecedented capital improvement effort of the City's neighborhoods was initiated. An annually updated five-year capital plan is developed under the auspices of OCP and serves as a guideline for matching the City's existing and forecasted capital needs with current and future resources. The ongoing efforts of OCP are now an integral part of the City's budget cycle. Budget formulation begins in the spring when departments submit their capital requests, and concludes in September when the City publishes the updated version of its five-year capital plan. The first year of this plan eventually becomes the capital budget for the following fiscal year.

Currently, the City is developing a long-term capital plan which will forecast capital needs and evaluate resource constraints through and beyond the year 2000.

#### **Pension Assistance**

The City of Boston participates in a contributory retirement system, which covers most city employees. The General Laws of the Commonwealth of Massachusetts require that retirement costs be funded on a "pay-as-you-go" basis. The City annually contributes an amount certified by the Commonwealth Public Employee Retirement Administration as its share of the costs. This amount is included within the tax levy and is a legal obligation of the City. A comparison of accumulated plan benefits and plan net assets as of June 30, 1987 has been included in Note 12 to the GPFS.

The "pay-as-you-go" method of funding the City's pension liability leaves a large portion of pension liabilities unfunded. Comprehensive legislation approved in January 1988 authorizes the Commonwealth of Massachusetts to provide subsidizing grants to local communities. Localities opting to participate in the program would agree to commit to a schedule of annual contributions that will eliminate their unfunded pension liabilities over a forty-year period and to adopt certain other reforms.

The primary benefit of participating in this fully funded pension reform program would be the eventual elimination of the City's unfunded pension liability. At the same time, participation in the program would require adoption of certain benefit changes which would increase the City's total pension costs. The City's participation in this program is being considered in the context of a long term planning process.

#### **Hospital Receipts**

To address bad debt and free care costs of Massachusetts acute care hospitals, a statewide funding mechanism and reimbursement process was established by Chapter 574 of the Acts of 1985. The funding and reimbursement mechanisms, however, were effective through June 1987. Therefore, as of the beginning of FY 1988 Massachusetts acute care hospitals are operating without a law governing their reimbursements. Unresolved issues like this can have an adverse effect on the City's financial position in upcoming years.

**Debt Factors**

The City of Boston issues general obligation (G.O.) debt on as needed basis to meet capital cash requirements. The City is subject to a dual level debt limit; the normal debt limit and the double debt limit. The normal debt limit is equal to 2½ % of the valuation of taxable property in the City as last equalized by the State Department of Revenue. The City may authorized this amount of debt without state approval. The double debt limit is equal to twice this amount but may be authorized only with the approval of the state Emergency Finance Board. The five-year capital plan reveals debt requirements which would bring the City's total G.O. debt to approximately \$600 million by the year 1992. However, 52 % of this debt is scheduled to mature over the next five years, allowing the City to recapture its debt-incurring capacity very quickly.

Historically, the City has used short-term debt to bridge the disparity in timing of revenue receipts and expenditure needs. During FY 1987 Revenue Anticipation Notes (RANs) were issued for \$70 million. There have been no RANs issued in FY 1988.

The City's improved financial position, a result of the strong economy and better budgetary controls, has resulted in an improved credit rating. The City of Boston's bond rating was raised by Moody's Investors Service on April 30, 1987 to Baal and after just 12 months, in April 1988, it was raised again to A. The Standard and Poor's Corporation has raised the City's rating to A in February 1987.

**Master Lease-Purchase Program**

Boston is implementing a master lease-purchase program over the next two years. This program, which is financed with Certificates of Participation, will finance the acquisition of motor vehicles, computer and communication equipment, and office and hospital equipment for various city departments. \$25 to \$30 million will be spent on new acquisitions and over \$10 million will be expended to consolidate and refinance existing leases with significant cost savings.

**Trust Fund Management**

The Treasury Department Trust Office completed the divestiture of more than \$10.1 million of South African holdings. The divestiture program was developed in response to the City's South African divestiture ordinance and was implemented over a three-year period by the City's investment managers.

## ECONOMIC PROSPECTS

### City's Role

The City of Boston is the hub of financial and economic activities in the Commonwealth of Massachusetts. The economic performance of the City has been consistent with state and regional trends. In fact, the City's high jobs to population ratio, the second highest in the nation, indicates the City's contribution to the economic success experienced throughout the state and region.

A breakdown of industry employment in the City of Boston follows:

#### INDUSTRY EMPLOYMENT IN THE CITY OF BOSTON

	1980	1986	1987	% Chg. 86-87	% Chg. 80-87	% of Total '87 Employment	% of Total '80 Employment
Fishing, Mining	908	1,370	1,450	5.8%	59.7%	0.2%	0.2%
Construction	11,443	14,490	15,828	9.2%	38.3%	2.6%	2.0%
Manufacturing	52,337	39,594	37,295	-5.8%	-28.7%	6.0%	9.3%
Trans/Utilities	37,496	35,361	35,648	0.8%	-4.9%	5.7%	6.7%
Trade	87,036	90,673	89,308	-1.5%	2.6%	14.4%	15.5%
Fin./Ins./R.E.	73,782	88,930	94,036	5.7%	27.5%	15.2%	13.2%
Services	200,650	236,536	243,728	3.0%	21.5%	39.3%	35.8%
Government	97,321	99,353	103,045	3.7%	5.9%	16.6%	17.3%
Total	560,973	606,307	620,338	2.3%	10.6%	100.0%	100.0%

1987 City Population: 573,600

1987 Ratio of Jobs to Population: 1.08

Although the City's population declined by 12% throughout the 1970s, U.S. Census estimates show an increase of 1.9% from 1980 to 1986.

### Employment

As the above table indicates, total City employment has experienced steady growth throughout the decade. Although the service sector has experienced the most dramatic expansion in recent years, the diversity within this sector, including such areas as high technology, finance, higher education and medicine makes the City less vulnerable to significant cyclical downturns.

## **Construction**

Total public and private investment in capital construction projects continued to grow in 1987, and private investment is projected by the Boston Redevelopment Authority to reach an all-time high in 1988. In addition to the City's capital improvement efforts referred to in the previous section, a major Federal-City effort to improve downtown traffic circulation will begin in 1989. Approximately \$3.1 billion will be invested in the construction of a new Third Harbor Tunnel and depression of the Central Artery in downtown Boston.

The growth of the services sector has resulted in a tremendous amount of office construction. Despite the addition of over 3 million square feet of office space in 1984, the City of Boston currently maintains a low vacancy rate; according to The Office Network, International Office Market Report, Boston has the lowest vacancy rate (6.9%) among the 12 largest office markets in the nation. Because of this demand, new office construction over the next four years is expected to contribute an additional 6.7 million square feet to the City's current level of 49 million square feet of office space.

The City's strong economic performance and rising population have also had a stimulative effect on the City's housing stock. Approximately 4,000 units were started in 1987 and housing values continue to rise.

## **Availability of Labor & Cost of Living**

Accompanying the steady growth in employment, declining unemployment rates and the general rise in economic activity, are concerns over a possible regional labor shortage and an increase in 1987 in the cost of living (6.8%) that exceeds that of the nation (3.9%).

## **Tourism**

In addition to being the economic hub of the Commonwealth of Massachusetts, the City of Boston is also its historical center. In 1987, approximately 8.6 million people visited greater Boston, a 6.2% increase over 1986. The Greater Boston Convention and Visitor's Bureau estimates these visitors had a total economic impact on the Greater Boston area of \$5.5 billion. 1985 data indicates that 80% of all visitors to the greater Boston area also visited the City.



## **GENERAL PURPOSE FINANCIAL STATEMENTS**





# KPMG Peat Marwick

Certified Public Accountants

**Peat Marwick Main & Co.**

One Boston Place  
Boston, MA 02108

Telephone 617 723 7700  
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Telecopier 617 723 6864

To the Honorable Mayor of the  
City of Boston, Massachusetts:

We have examined the general purpose financial statements of the City of Boston, Massachusetts as of June 30, 1987 and for the year then ended as listed in the accompanying table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We did not examine the financial statements of certain entities and accounts which aggregate the following percentages of total assets and revenues of the respective funds:

	Percentage of	
	<u>Total assets</u>	<u>Total revenues</u>
Special Revenue Funds	11	1
Capital Projects Funds	18	89
Enterprise Funds	23	15
Trust and Agency Funds	91	98
General Long-Term Obligations		
Account Group	1	-

These statements were examined by other auditors whose reports thereon have been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included for these entities and accounts, is based solely upon the reports of the other auditors.

The City and the Boston Redevelopment Authority have not maintained records of the cost of their general fixed assets and, therefore, a General Fixed Assets Account Group is not presented in the accompanying general purpose financial statements as required by generally accepted accounting principles.

As described in note 16, the City has numerous pending property tax abatement applications. Due to the uncertainties surrounding the amount the City will ultimately be required to refund to taxpayers and when the refunds will be paid, we are unable to satisfy ourselves as to the adequacy of the City's \$205.9 million liability for estimated tax refunds.

To the Honorable Mayor of the  
City of Boston, Massachusetts  
Page Two

In our opinion, based on our examination and the reports of other auditors and except for the effects of the departures from generally accepted accounting principles described in paragraph two and subject to the effects of such adjustments, if any, as might have been required had the outcome of the uncertainty discussed in paragraph three been known, the aforementioned general purpose financial statements present fairly the financial position of the City of Boston, Massachusetts as of June 30, 1987, the results of its operations and changes in financial position of Proprietary Fund Types and similar Trust Funds for the year then ended, in conformity with generally accepted accounting principles which have been applied on a basis consistent with that of the preceding year.

*Peat Marwick Main & Co.*

January 4, 1988

## CITY OF BOSTON, MASSACHUSETTS

## Combined Balance Sheet - All Fund Types and Account Group

June 30, 1987

(with comparative amounts for the General Fund for 1986)  
(in thousands)

Assets	Governmental Fund Types					Proprietary Fund Types	Fiduciary Fund Types	Account Group	Total (Memorandum Only) 1987
	Fund Types								
	General 1987	General 1986	Special Revenue	Debt Service	Capital Projects				
Cash and short-term investments (note 4)	\$ 250,201	\$ 43,889	\$ 17,615	\$ 39,353	\$ 159,823	\$ 10,693	\$ 152,931	\$ -	\$ 630,616
Other investments	-	-	-	65,253	-	-	666,901	-	732,154
Receivables (net, where applicable, of allowances for estimated uncollectible amounts):									
Property taxes (note 5)	13,615	194,977	-	-	-	-	-	-	13,615
Motor vehicle excise	3,951	1,242	-	-	-	-	-	-	3,951
Intergovernmental	29,497	28,292	11,568	-	7,766	2,265	35,922	-	87,018
Accounts (note 6)	15,975	9,822	1,328	-	163	39,460	15,209	-	72,135
Due from other funds	38,859	30,728	47,863	4,101	1,110	56,343	12,176	-	160,452
Loans (note 7)	-	-	-	-	-	17,225	-	-	17,225
Notes (note 8)	-	-	-	-	3,714	-	23,218	-	26,932
Inventories (note 9)	-	-	-	-	-	1,468	-	-	1,468
Other assets	-	-	34	-	110	3,912	3,500	-	7,556
Property, plant and equipment (net of accumulated depreciation) (note 11)	-	-	-	-	-	89,044	191	-	89,235
Amount available in debt service funds	-	-	-	-	-	-	-	105,610	105,610
Amounts to be provided for the retirement of general long-term obligations by (note 13):									
City of Boston	-	-	-	-	-	-	-	983,653	983,653
Commonwealth of Massachusetts	-	-	-	-	-	-	-	59,819	59,819
Boston Water and Sewer Commission	-	-	-	-	-	-	-	3,945	3,945
Boston Redevelopment Authority	-	-	-	-	-	-	-	2,234	2,234

(Continued)

See accompanying notes to general purpose financial statements.

## CITY OF BOSTON, MASSACHUSETTS

## Combined Balance Sheet - All Fund Types and Account Group

June 30, 1987

(with comparative amounts for the General Fund for 1986)  
(in thousands)

	Governmental Fund Types					Proprietary Fund Types	Fiduciary Fund Types	Account Group	Total (Memorandum Only) 1987
	General		Special Revenue	Debt Service	Capital Projects				
	1987	1986							
<u>Liabilities</u>									
Warrants and accounts payable	\$ 43,339	\$ 31,262	\$ 18,531	\$ -	\$ 5,096	\$ 16,605	\$ 18,731	\$ -	\$ 102,302
Accrued liabilities:									
Tax abatement refunds	174,994	110,757	-	-	-	-	-	30,968	205,962
Judgments and claims	36	1,486	-	-	2,115	2,581	-	439	5,171
Sick and vacation (note 13)	-	-	-	-	-	4,073	-	57,684	61,757
Retirement costs (notes 12 and 13)	-	-	-	-	-	47,273	-	458,962	506,235
Third-party payors of health care costs	-	-	-	-	-	25,831	-	-	25,831
Other	3,643	27,324	26,702	-	6,523	6,833	31,697	-	75,398
Intergovernmental	-	-	-	-	113	17,898	-	-	18,011
Due to other funds	64,888	96,261	2,326	-	23,611	1,203	14,845	53,579	160,452
Matured interest and bonds payable	-	-	-	3,097	-	-	-	-	3,097
Obligations under capital leases (note 11)	-	-	-	-	-	1,070	-	-	1,070
General obligation bonds and notes payable (notes 13 and 14)	-	-	-	-	-	19,359	-	553,629	572,988
Demand note payable	-	-	-	-	5,871	-	-	-	5,871
Total liabilities	286,900	267,090	47,559	3,097	43,329	142,726	65,273	1,155,261	1,744,145
<u>Fund Equity</u>									
Proprietary fund equity	-	-	-	-	-	77,684	-	-	77,684
Other fund equity:									
Reserved for:									
Encumbrances	64,366	48,052	43,588	-	53,717	-	7,092	-	168,763
Continuing appropriations	-	-	-	-	2,007	-	-	-	2,007
Employees' retirement system	-	-	-	-	-	-	765,846	-	765,846
Debt service	-	-	-	105,610	-	-	-	-	105,610
Unreserved:									
Designated	-	-	2,232	-	73,633	-	2,871	-	78,736
Undesignated	832	(6,192)	(14,971)	-	-	-	68,966	-	54,827
Total fund equity	65,198	41,860	30,849	105,610	129,357	77,684	844,775	-	1,253,473
Contingencies (note 16)									
Total liabilities and fund equity	\$ 352,098	\$ 308,950	\$ 78,408	\$ 108,707	\$ 172,686	\$ 220,410	\$ 210,048	\$ 1,155,261	\$ 2,997,618

Year Ended June 30, 1987  
(with comparative amounts for the General Fund for 1986)  
(in thousands)

	Governmental Fund Types				Fiduciary Fund Type Expendable Trust	Total (Memorandum Only) 1987
	1987	1986	Special Revenue	Debt Service		
<b>Revenues:</b>						
<b>Local:</b>						
Real and personal property taxes, net (note 5)	\$ 357,558	\$ 319,823	-	-	\$ -	\$ 357,558
Excises (note 13)	42,321	30,876	-	17,137	-	59,458
Payments in lieu of taxes	41,110	36,360	-	-	-	41,110
Licenses and permits	18,592	17,817	-	-	-	18,592
Fines	36,878	33,931	-	-	-	36,878
Investment income	20,215	21,324	786	1,686	2,829	27,020
Departmental and other revenue	33,621	35,672	10,196	-	2,606	60,734
Total local revenues	<u>550,295</u>	<u>495,803</u>	<u>10,982</u>	<u>18,823</u>	<u>5,435</u>	<u>601,350</u>
<b>Intergovernmental:</b>						
Federal	-	-	65,381	-	-	65,851
Commonwealth of Massachusetts	353,896	307,425	22,163	-	-	384,798
Other	5,522	5,423	-	1,318	-	6,840
Total intergovernmental revenues	<u>364,418</u>	<u>312,848</u>	<u>87,544</u>	<u>1,318</u>	<u>-</u>	<u>457,489</u>
Total revenues	<u>914,713</u>	<u>808,651</u>	<u>98,526</u>	<u>20,141</u>	<u>5,435</u>	<u>1,058,839</u>
<b>Expenditures:</b>						
<b>Current operations:</b>						
General government	38,805	35,140	1,867	-	294	40,966
Public safety	169,528	133,410	15,432	-	-	184,960
Public works	56,317	36,077	232	-	241	56,790
Property and development	19,140	14,629	-	-	566	19,706
Library	17,688	13,147	1,107	-	-	18,795
Parks and recreation	9,074	5,585	519	-	398	9,991
Community development	-	-	18,261	-	-	18,261
Human services	5,799	4,769	15,016	-	-	20,815
Schools	284,746	272,118	49,138	-	-	333,906
County	22,187	18,947	-	-	22	22,187
Retirement costs (note 12)	92,466	85,677	204	-	1,361	94,031
Other employee benefits	32,880	29,546	-	-	-	32,880
Judgments and claims	11,585	15,111	-	-	-	11,585
State and district assessments	45,213	45,575	-	-	-	45,213
Miscellaneous	3,534	2,687	2,125	-	-	5,659
Capital outlays	6,620	4,142	2,130	-	-	63,593
Debt service	3,402	4,833	-	-	-	89,816
Total expenditures	<u>818,984</u>	<u>721,393</u>	<u>106,031</u>	<u>85,981</u>	<u>1,521</u>	<u>1,069,154</u>
Excess (deficiency) of revenues over expenditures	<u>95,729</u>	<u>87,258</u>	<u>(7,505)</u>	<u>(65,840)</u>	<u>3,914</u>	<u>(10,315)</u>
<b>Other financing sources (uses):</b>						
Proceeds from advance refunding of general obligation bonds (note 13)	-	-	-	57,425	-	57,425
Operating transfers in (out), net (note 15)	(72,391)	(71,937)	(394)	799	364	7,664
Total other financing sources (uses), net	<u>(72,391)</u>	<u>(71,937)</u>	<u>(394)</u>	<u>799</u>	<u>364</u>	<u>65,089</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	23,338	15,321	(7,899)	70,871	4,278	54,774
Fund equity, beginning of year	41,860	26,539	38,748	34,739	33,594	314,112
Fund equity, end of year	<u>\$ 65,198</u>	<u>\$ 41,860</u>	<u>\$ 30,849</u>	<u>\$ 105,610</u>	<u>\$ 37,872</u>	<u>\$ 368,886</u>

See accompanying notes to general purpose financial statements.

## CITY OF BOSTON, MASSACHUSETTS

## Statement of Revenues and Expenditures - Budgetary Basis General Fund (note 10)

June 30, 1987

(with comparative amounts for 1986)  
(in thousands)

	1987			Variance	1986
	Original Budget	Final Budget	Actual	Favorable (Unfavorable)	Actual
Revenues, transfers and available funds:					
Real and personal property taxes, net	\$ 397,000	\$ 397,000	\$ 391,544	\$ (5,456)	\$ 354,034
Excises	38,920	38,920	39,541	621	30,886
Departmental and other revenue	27,933	29,538	33,365	3,827	23,370
Health and hospitals	141,500	142,500	142,749	249	148,827
Commonwealth of Massachusetts	404,268	406,960	409,831	2,871	354,987
Payments in lieu of taxes	16,507	17,004	17,467	463	15,570
Licenses and permits	19,068	19,068	18,592	(476)	17,744
Investment income	17,200	17,200	19,496	2,296	20,442
Fines	32,082	32,083	36,809	4,726	32,261
Sale of property	3,700	3,700	-	(3,700)	-
Transfer from other funds	14,690	16,730	16,825	95	24,960
Other available funds	-	19,965	19,965	-	18,137
Total revenues, transfers and other available funds	1,112,868	1,140,668	1,146,184	5,516	1,041,218
Less: Prior year deficits	15,113	15,113	15,113	-	22,870
Net revenue available for appropriation	1,097,755	1,125,555	1,131,071	5,516	1,018,348
Expenditures and encumbrances:					
General government	47,288	51,478	48,715	2,763	36,363
Public safety	181,579	186,264	186,416	(152)	163,992
Public works	55,891	62,791	59,512	3,279	40,923
Property and development	22,529	23,412	23,286	126	20,899
Library	15,805	17,950	17,636	314	13,522
Parks and recreation	7,909	11,019	10,827	192	6,910
Human services	6,066	6,186	6,037	149	5,426
Schools	282,400	282,400	290,020	(7,620)	262,221
Health and hospitals	139,500	143,203	140,789	2,414	129,000
County	22,190	22,545	22,156	389	19,478
Retirement costs	141,504	144,483	143,736	747	136,348
Other employee benefits	37,960	37,660	37,368	292	35,159
Judgments and claims	5,000	5,000	4,717	283	13,816
State and district assessments	45,838	45,838	45,213	625	45,575
Debt requirements	86,296	85,326	85,250	76	81,884
Total expenditures and encumbrances	1,097,755	1,125,555	1,121,678	3,877	1,011,516
Excess of revenues, transfers and available funds over expenditures and encumbrances (note 10)	\$ -	\$ -	\$ 9,393	\$ 9,393	\$ 6,832

See accompanying notes to general purpose financial statements.

## CITY OF BOSTON, MASSACHUSETTS

Combined Statement of Revenues, Expenses and Changes  
in Retained Earnings/Fund Equity - All Proprietary Fund Types  
and Similar Trust Funds

Year ended June 30, 1987  
(with comparative amounts for Health and Hospitals for 1986)  
(in thousands)

	Proprietary Fund Types			Fiduciary Fund Types			Total (Memorandum Only) 1987
	Health and Hospitals 1987	Health and Hospitals 1986	Trustees of Health and Hospitals	Pension Trusts	Non- Expendable Trusts		
Operating revenues:							
Gross patient service revenue	\$ 168,964	\$ 214,406	\$ -	\$ -	\$ -	\$ -	\$ 168,964
Adjustments to patient service revenue:							
Contractual adjustments (note 16)	40,417	(7,750)	-	-	-	-	40,417
Provision for uncollectible amounts, free care and service provided to City employees	(50,382)	(67,511)	-	-	-	-	(50,382)
Total adjustments to patient service revenue	(9,965)	(75,261)	-	-	-	-	(9,965)
Net patient service revenue	158,999	139,145	-	-	-	-	158,999
Investment income	-	-	-	1,285	2,444	-	50,552
Net appreciation in fair value of investments	-	-	-	-	-	-	10,778
Contributions	-	-	-	-	692	-	161,992
Gain on sale of investments	-	-	-	-	4,919	-	4,919
Programs	-	-	21,635	-	-	-	21,635
Rental income	-	-	-	4,192	10	-	4,202
Intergovernmental	-	-	-	1,179	-	-	28,500
Miscellaneous	5,364	4,106	-	821	23	69	6,277
Total operating revenues	164,363	143,251	21,635	7,477	8,134	-	447,854
Operating expenses:							
Salaries, wages and fringe benefits	82,561	74,183	-	2,288	911	-	85,760
Professional fees	13,863	12,101	-	408	313	-	14,584
Retirement costs	13,158	12,641	-	-	-	-	13,158
Materials and supplies	10,498	10,533	-	51	34	-	10,583
Administrative and general	17,318	14,850	1,439	1,865	43	-	20,665
Depreciation	5,653	5,557	73	1,432	-	-	7,158
Interest	2,689	2,564	-	1,407	-	-	4,096
Scholarships and awards	-	-	-	-	-	9	9
Libraries	-	-	-	-	697	-	697
Benefits paid	-	-	-	-	-	-	-
Member refunds, and transfers and reimbursements to other systems, net	-	-	-	134,649	-	-	134,649
Subsidies for community services, special programs and real estate operations	-	-	-	14,858	-	-	14,858
Total operating expenses	15,764	13,932	20,245	-	-	-	36,009
Operating income (loss)	161,504	146,361	21,757	150,808	706	-	342,226
Operating transfers in (out), net (note 15)	2,859	(3,110)	(122)	95,437	7,428	-	105,628
Net income (loss)	(4,454)	(1,108)	472	-	(2,253)	-	(6,235)
	(1,595)	(4,218)	350	95,437	5,175	-	99,393
Fund equity, beginning of year	73,913	78,131	497	670,409	35,882	-	785,194
Fund equity at end of year	\$ 72,318	\$ 73,913	\$ 847	\$ 765,846	\$ 41,057	\$ 41,057	\$ 884,587

See accompanying notes to general purpose financial statements.

Combined Statement of Changes in Financial Position -  
All Proprietary Fund Types  
and Similar Trust Funds

Year ended June 30, 1987  
(With comparative amounts for Health and Hospitals for 1986)  
(In thousands)

	Proprietary Fund Types			Fiduciary Fund Types		Total (Memorandum Only) 1987
	Health and Hospitals 1987	Health and Hospitals 1986	Trustees of Health and Hospitals	Pension Trusts	Non- Expendable Trusts	
<b>Sources of funds:</b>						
Operations:						
Net income (loss)	\$ (1,595)	\$ (4,218)	\$ 350	\$ 95,437	\$ 5,175	\$ 99,393
Items not requiring funds:						
Depreciation	5,653	5,557	73	-	-	7,158
Loss on sale of investments and other	729	727	-	-	-	3,533
Funds provided by operations	4,787	2,066	423	95,437	5,175	110,084
Sale of investments	-	-	-	-	1,558	1,558
Increase in accrued retirement costs	1,353	-	-	-	-	1,353
Decrease in long-term portion of due from other funds	-	289	-	-	-	-
Total sources of funds	6,140	2,355	423	95,437	6,733	112,995
<b>Uses of funds:</b>						
Acquisitions of property, plant and equipment	2,900	2,418	133	-	-	3,033
Net decrease in accrued retirement costs	-	944	-	-	-	-
Purchase of investments	-	-	-	-	3,600	3,600
Retirement of long-term obligations	1,509	1,050	30	-	-	1,539
Increase in long-term portion of due from other funds	1,266	-	-	-	-	1,266
Other	87	175	-	-	-	4,291
Total uses of funds	5,762	4,587	163	-	3,600	13,729
Increase (decrease) in funds	\$ 378	\$ (2,232)	\$ 260	\$ 95,437	\$ 3,133	\$ 99,266
<b>Elements of net increase (decrease) in funds:</b>						
Cash and short-term investments	586	668	2,297	79,115	1,287	83,085
Other investments	-	-	-	33,273	1,780	35,053
Intergovernmental	-	-	-	27,220	66	27,150
Accounts receivable	656	(6,432)	(992)	(5,538)	-	(5,996)
Current portion of loans receivable	-	-	-	-	-	14
Current portion of due from other funds	(16,874)	12,254	-	(33,109)	-	(49,983)
Inventories	(35)	(187)	-	-	-	(35)
Other current assets	-	-	-	-	-	(40)
Warrants and accounts payable	(5,951)	(144)	51	(6,513)	-	(12,027)
Due to third-party payors	18,925	(8,659)	-	-	-	18,925
Accrued liabilities	(487)	563	168	-	-	(431)
Intergovernmental payable	-	-	(1,185)	-	-	(1,030)
Due to other funds	3,179	(479)	(89)	989	-	4,079
Current portion of lease obligations	379	184	10	-	-	389
Current portion of notes payable	-	-	-	-	-	113
Increase (decrease) in funds	\$ 378	\$ (2,232)	\$ 260	\$ 95,437	\$ 3,133	\$ 99,266



CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1987

(1) Financial Statement Presentation

REPORTING ENTITY

The accompanying general purpose financial statements include all funds and the Long-Term Obligations Account Group of the City of Boston, Massachusetts and the County of Suffolk (the "City"). Also included are the funds and account groups of agencies, authorities, boards and other organizational entities (component units), which are includable in the City's financial reporting entity in accordance with generally accepted accounting principles, except for the Boston Industrial Development Finance Authority, because their operations are immaterial to the operations of the City. The City is the entity that exercises oversight responsibility over the component units. The criteria for inclusion of component units in the oversight entity's general purpose financial statements are: selection of governing authority, designation of management, ability to significantly influence operations, accountability over fiscal matters and scope of public service. The inclusion of component units in the City's general purpose financial statements does not affect their separate legal standing. Additional information on the component units is provided in note 3.

FUND ACCOUNTING

Transactions are recorded in the funds and account group described below. The operations of each fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. Transactions between funds within a fund type, if any, have been eliminated. The funds and Account Group are organized into four categories as follows:

Governmental Fund Types

Governmental Funds are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is on determination of changes in financial position, rather than on net income. The governmental fund types are as follows:

General Fund - This fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than debt service, expendable trusts or capital projects) that are legally restricted to expenditures for specified purposes. General funds of component units are included with Special Revenue Funds.

Debt Service Funds - These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

(Continued)

# CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

### (1) Financial Statement Presentation (Continued)

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). Such resources are derived principally from proceeds of general obligation bonds and from federal and state grants.

#### Proprietary Fund Types

These funds are used to account for activities operated in a manner similar to a private business enterprise or where periodic determination of revenues, expenses and net income is needed. For financial reporting purposes, Enterprise Funds are established to reflect the operations of the Department of Health and Hospitals (DHH), the Trustees of Health and Hospitals of the City of Boston, Inc. (THH) and the Economic Development and Industrial Corporation of Boston (EDIC).

#### Fiduciary Fund Types

Fiduciary Funds are used to account for assets held in a trustee capacity (Trust Funds) or as an agent (Agency Funds) for individuals, private organizations, other governmental units, and/or other funds. Trust funds include Expendable Trust Funds, Nonexpendable Trust Funds and Pension Trust Funds.

#### Account Group

The General Long-Term Obligations Account Group is used to establish control and accountability for general long-term obligations, except those obligations which are financed by and accounted for in Enterprise Funds.

### (2) Summary of Significant Accounting Policies

The general purpose financial statements are prepared in accordance with generally accepted accounting principles (GAAP), except that the City and the Boston Redevelopment Authority (BRA) do not maintain records of their general fixed assets. Accordingly, a General Fixed Assets Account Group is not presented. The accounting policies followed in preparing the accompanying general purpose financial statements are as follows:

#### BASIS OF ACCOUNTING

Governmental Fund Types, Expendable Trust funds and Agency funds are accounted for on the modified accrual basis of accounting. Revenues are recorded in the accounting period that they become both measurable and available. Available means that they are expected to be collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. In applying this principle, the City accrues as

(Continued)

# CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

### (2) Summary of Significant Accounting Policies (Continued)

revenue the amount of property taxes due to the City prior to year end and collected within 60 days after the end of its fiscal year; all other revenues, except revenue from expenditure driven grants, and investment income which is accrued as earned, are recorded when cash is received.

Expenditures, other than (a) interest on long-term debt, (b) accumulated sick and vacation leave, (c) judgments and claims (d) tax abatement refunds, and (e) retirement costs, are recorded in the accounting period that the liability is incurred. Interest on long-term debt is recorded when payable. Expenditures for sick and vacation leave, retirement costs, judgments and claims and tax abatement refunds are recorded in the Governmental Funds to the extent they are expected to be paid from expendable available resources; the balance of these liabilities is recorded in the General Long-Term Obligations Account Group.

Revenues for expenditure driven grants, where monies must be expended for the specific purpose or project before any amounts are earned, are recognized when expenditures are recorded.

Enterprise Funds, Pension Trust Funds and Nonexpendable Trust Funds are accounted for on the accrual basis of accounting.

### CASH AND SHORT-TERM INVESTMENTS

The City follows the practice of pooling cash and short-term investments of the General Fund and certain Special Revenue Funds. All interest earned on pooled cash is allocated to the General Fund. Short-term investments are stated at cost plus accrued interest.

### OTHER INVESTMENTS

Investments, other than short-term and investments of the Pension Trust Funds, are carried at cost, amortized cost or lower of cost or market plus applicable accrued interest, all of which approximate market. Investments of the Pension Trust Funds are carried at market, which is approximately \$21.2 million more than amortized cost.

### INVENTORIES

Inventories of the Enterprise Funds are stated at the lower of cost, derived by use of the first-in, first-out valuation method, or market. Inventory purchases of other funds are recorded as expenditures.

### PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment of the Enterprise Funds is carried at historical cost and depreciated on a straight-line basis over their estimated useful lives as follows:

Land improvements	5-25	years
Buildings and leasehold improvements	15-40	years
Equipment	4-25	years

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(2) Summary of Significant Accounting Policies (Continued)

Interest on general obligation debt incurred by the City on behalf of the Health and Hospitals Enterprise Fund is capitalized during the period of construction of major projects. Such capitalized interest amounted to \$79,000 in 1987.

Purchases of property, plant and equipment of other funds are recorded as expenditures.

ACCRUED JUDGMENTS AND CLAIMS

Estimated losses from judgments and claims are recorded as liabilities if the loss is probable and amounts can be reasonably estimated. For Enterprise Funds all such liabilities are recorded within the fund. Governmental Fund Types follow the practice of recording losses from judgments and claims as a fund liability in instances when a matter has been settled or adjudicated and is payable within twelve months after year end. Otherwise such liabilities are recorded in the General Long-Term Obligations Account Group.

ACCRUED TAX ABATEMENT REFUNDS

Liabilities for tax abatement refunds are segregated into two groups for accounting purposes. The first group relates to abatements pending for fiscal years 1982 and prior which are primarily the result of a court decision against the City involving disproportionate assessments. These cases are accounted for in the same manner as judgments and claims. The second group, which relates to abatements filed for all fiscal years subsequent to fiscal 1982, are accounted for as liabilities of the General Fund.

ACCRUED SICK AND VACATION

Employees are granted vacation and sick leave in varying amounts. Upon retirement, termination or death, certain employees are compensated for unused vacation and sick leave (subject to certain limitations) at their then current rates of pay. The cost of vacation and sick leave for employees of Proprietary Fund Types is recorded as earned. For employees of other funds, the liability related to unused sick and vacation time is recorded in the General Long-Term Obligations Account Group. The amount recorded is the unused days earned at the current rate of pay.

ENCUMBRANCES AND CONTINUING APPROPRIATIONS

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditure are recorded to reserve that portion of the applicable appropriation, is employed in the Governmental Fund Types as a significant aspect of budgetary control.

Unencumbered appropriations which are carried over to the ensuing fiscal year are reported as "continuing appropriations". Continuing appropriations represent amounts appropriated for specific programs or projects which were not completed during the fiscal year.

(Continued)

# CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

### (2) Summary of Significant Accounting Policies (Continued)

Encumbrances and continuing appropriations are reported as reservations of fund balances in the accompanying balance sheet because they do not constitute expenditures or liabilities. Encumbrances and continuing appropriations are combined with expenditures for budgetary comparison purposes (see note 10).

#### RETIREMENT COSTS

For governmental funds the excess of retirement costs determined by an acceptable actuarial cost method over the amount contributed to the Pension Trust Funds is added to the General Long-Term Obligations Account Group. The actuarially determined cost in excess of the amount contributed to the Pension Trust Funds is reported as a fund liability for Proprietary Fund Types.

#### SUBSIDY TO THE DEPARTMENT OF HEALTH AND HOSPITALS

Operating transfers for subsidies provided by the City's General Fund to the Department of Health and Hospitals (DHH) are based upon the modified accrual basis of accounting. The subsidy recorded by DHH is based on the full accrual basis except for property, plant and equipment and capital leases, which are accounted for on the modified accrual basis. The difference in the amounts is recorded in the General Long-Term Obligations Account Group.

The City does not allocate all internal service costs to the DHH. To a lesser extent, DHH provides certain administrative services to other City departments and hospital services to employees of the City without billing for such services.

#### PATIENT SERVICE REVENUES

Patient service revenues are recorded at DHH's established rates with contractual and free care allowances and the provision for uncollectible accounts deducted to arrive at net patient service revenue.

#### THIRD-PARTY REIMBURSEMENT

Amounts receivable under cost reimbursement agreements of DHH are subject to examination and retroactive adjustments by third-party payors. Provisions for estimated retroactive adjustments under these agreements are provided in the period in which the related services are rendered.

Effective October 1, 1982, the Massachusetts charge control legislation Chapter 372 was enacted to govern the establishment of hospital charges and rates of payment. Chapter 372 established a prospective payment system for substantially all payors and adopted the Blue Cross basis of payment as the basis for determining the approved level of gross patient services revenue and Medicaid and Medicare rates of payment. Effective October 1, 1985, the payment system established pursuant to the Chapter 372 legislation was amended for a two-year period by Chapter 574 legislation. The two principal modifications were the exclusion of Medicare reimbursement from the Massachusetts system and the establishment of an uncompensated care pool to uniformly fund free care and bad debts incurred by hospitals.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(2) Summary of Significant Accounting Policies (Continued)

Under a three-year agreement (HA-30), effective October 1, 1984, Blue Cross pays the hospital a proportionate share of the substantially fixed Maximum Allowable Cost (MAC). The MAC is based upon its 1982 reimbursement year patient care costs with annual adjustments for inflation, changes in volume and a technology and new program allowance, and with certain items, principally depreciation, interest and malpractice insurance, reimbursed on a cost basis outside the MAC. In 1987 and 1986, the Blue Cross basis of payment was reduced by a 6% and 4% productivity factor, respectively, as mandated by Chapters 372 and 574.

Under Chapters 372 and 574, Medicaid reimbursement is based upon Medicaid's proportionate share of the Blue Cross MAC basis of payment reduced by a fixed discount to maintain Medicaid's discount at the 1982 level. In 1987 and 1986, the basis of payment for Medicaid was reduced by an 8% and 7% productivity factor, respectively, as mandated by Chapters 372 and 574.

As noted above, the Hospital is now reimbursed for Medicare patients under the Prospective Payment System, the national Medicare system, whereby hospitals are paid a standard amount based upon the patient's diagnosis. Since Massachusetts hospitals are now reimbursed under the national Medicare system, the Chapter 574 legislation also established limits for increases in non-Medicare gross inpatient service revenue.

The Hospital is reimbursed for services during the year at interim rates by Blue Cross, Medicaid and Medicare with differences between Hospital charges and estimated final reimbursement recorded as contractual adjustments.

TOTAL (Memorandum Only) COLUMNS ON GENERAL PURPOSE FINANCIAL STATEMENTS

Total columns on the general purpose financial statements are presented to aggregate financial data of the fund types and account group. No consolidating or other eliminations were made in arriving at the totals; thus, they do not present consolidated information.

(3) Component Units

Component units (as defined in note 1) are separate legal entities. Although not operating departments of the City, financial statements for component units have been blended with the City's in the accompanying general purpose financial statements. Transactions between funds within a fund type, if any, have been eliminated. The powers of a component unit are generally vested in its governing board. Descriptions of the component units follow:

(Continued)

## Notes to General Purpose Financial Statements

## (3) Component Units (Continued)

All of the financial data of component units were derived from audited financial statements, and are included in the general purpose financial statements as follows:

Assets	Special Revenue Funds		Capital Projects Funds		Enterprise Funds		Trust and Agency Funds		General Long-Term Obligations
	BRA		BRA		THH	EDIC (In thousands)	SBRs and BRS	THH	BRA
Cash and short-term investments	\$ 5,379		\$ 21,118		\$ 5,349	\$ 1,686	\$ 89,554	\$ 4,444	\$ -
Other investments	-		-		-	-	602,641	8,195	-
Receivables:									
Intergovernmental	688		6,274		-	2,265	35,712	-	-
Accounts	-		163		3,797	974	14,630	-	-
Due from other funds	2,320		-		-	-	5,371	727	-
Loans	-		-		-	17,225	-	-	-
Note	-		3,714		-	-	-	-	-
Other assets	33		110		-	3,912	-	-	-
Property, plant and equipment, net	-		-		223	14,851	-	-	-
Amounts to be provided for the retirement of long-term obligations	-		-		-	-	-	-	2,234
<b>Total assets</b>	<b>\$ 8,420</b>		<b>\$ 31,372</b>		<b>\$ 2,362</b>	<b>\$ 40,913</b>	<b>\$ 747,908</b>	<b>\$ 13,366</b>	<b>\$ 2,234</b>
<b>Liabilities</b>									
Warrants and accounts payable	2,457		-		789	1,675	18,731	-	-
Accrued liabilities:									
Judgments and claims	-		2,115		-	-	-	-	-
Sick and vacation	-		-		-	-	-	-	1,516
Retirement costs	-		-		-	-	-	-	718
Other	2,753		6,523		716	980	-	-	-
Intergovernmental	-		-		4,054	13,844	-	-	-
Due to other funds	-		2,109		2,933	476	-	-	-
Obligations under capital leases	-		-		30	60	-	-	-
General obligation bonds and notes payable	-		-		-	19,359	-	-	-
<b>Total liabilities</b>	<b>5,210</b>		<b>10,747</b>		<b>8,522</b>	<b>36,394</b>	<b>18,731</b>	<b>-</b>	<b>2,234</b>
<b>Fund Equity</b>									
Proprietary fund equity	-		-		847	4,519	-	-	-
Reserved	-		-		-	-	729,177	-	-
Unreserved:									
Designated	2,234		20,632		-	-	-	-	-
Undesignated	976		-		-	-	-	13,366	-
Total fund equity	<u>3,210</u>		<u>20,632</u>		<u>847</u>	<u>4,519</u>	<u>729,177</u>	<u>13,366</u>	<u>-</u>
<b>Total liabilities and fund equity</b>	<b>\$ 8,420</b>		<b>\$ 31,372</b>		<b>\$ 2,362</b>	<b>\$ 40,913</b>	<b>\$ 747,908</b>	<b>\$ 13,366</b>	<b>\$ 2,234</b>

(Continued)

## CITY OF BOSTON, MASSACHUSETTS

### Notes to General Purpose Financial Statements

#### (3) Component Units (Continued)

State-Boston Retirement System "SBS" and Boston Retirement System "BRS"  
The State-Boston Retirement System is a defined benefit contributory retirement plan covering employees of the City of Boston, Boston Housing Authority and Boston Redevelopment Authority. The system is subject to benefit provisions and financing requirements set forth primarily in Chapter 32 of the Massachusetts General Laws.

The Boston Retirement System (established on February 1, 1923 under the authority of Chapter 521 of the Acts of 1922) is an independent contributory retirement system available exclusively to those City employees who were appointed prior to the establishment of the State-Boston Retirement System on October 1, 1946.

Boston Redevelopment Authority "BRA"  
The BRA administers urban development projects and is the City's general planning agency. A majority of the board members are appointed by the Mayor. The geographical limits are the same as those of the City and the City has residual interest in the net assets.

Trustees of Health and Hospitals of the City of Boston, Inc. "THH"  
The THH is responsible for the financial administration of grant and trust funds for medical research and community health plans. The Mayor appoints all members of the Board of Directors and designates the Chairman and Vice-Chairman. THH provides an essential service which otherwise would be provided by the City.

Economic Development and Industrial Corporation of Boston "EDIC"  
EDIC is a quasi-public agency of the City of Boston whose primary purposes are to acquire and improve property, either through purchase or eminent domain, for economic development within the City and to construct economic development projects for lease or sale to industrial occupants. The Mayor appoints members of the board and approves EDIC's designation of areas of the City as economic development areas. The City finances a portion of annual operations and provides resources for development activities.

(Continued)



## CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

(3) Component Units (Continued)

	Special Revenue Funds BRA	Capital Projects Fund BRA (in thousands)	Fiduciary Types Fund Pension Trusts SBRS and BRS	Expendable Trust THH
<b>Revenues:</b>				
Investment income	\$ 307	\$ 1,504	\$ 44,864	\$ 837
Departmental and other revenue	1,318	13,348	23	-
Intergovernmental	60	2,998	27,321	-
Net appreciation in fair market value of investments	-	-	10,778	-
Contributions	-	-	158,958	-
Total revenues	<u>1,685</u>	<u>17,850</u>	<u>241,944</u>	<u>837</u>
<b>Expenditures:</b>				
Community development	2,404	-	-	-
Retirement costs	204	1,361	-	-
Capital outlays	-	18,995	-	-
Total expenditures	<u>2,608</u>	<u>20,356</u>	<u>-</u>	<u>-</u>
<b>Expenses:</b>				
Salaries, wages and fringe benefits	-	-	911	-
Professional fees	-	-	313	-
Material and supplies	-	-	34	-
Administrative and general	-	-	28	-
Benefits paid	-	-	134,648	-
Members refunds and transfers and reimbursements to other systems, net	-	-	14,858	-
Total expenses	<u>2,608</u>	<u>20,356</u>	<u>150,792</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and expenses	(923)	(2,506)	91,152	837
Other financing sources (uses)	<u>1,321</u>	<u>2,545</u>	<u>-</u>	<u>(473)</u>
Excess of revenues and other financing sources over expenditures, expenses, and other financing uses	398	39	91,152	364
Fund equity, beginning of year	<u>2,812</u>	<u>20,593</u>	<u>638,025</u>	<u>13,002</u>
Fund equity, end of year	\$ <u>3,210</u>	\$ <u>20,632</u>	\$ <u>729,177</u>	\$ <u>13,366</u>

(Continued)

## CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

(4) Deposits and Investments

State and local statutes place certain limitations on the nature of deposits and investments available to the City. Deposits (including demand deposits, term deposits and certificates of deposit) in any one financial institution may not exceed certain levels within collateralization by the financial institutions involved. Investments can also be made in securities issued by or unconditionally guaranteed by the U.S. Government or Agencies that have a maturity of less than one year from the date of purchase, repurchase agreements guaranteed by the U.S. Government or Agencies that have a maturity of less than one year from the date of purchase, repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase and units in the Massachusetts Municipal Depository Trust ("MMDT").

In addition, the City's Pension Trust Fund has additional investment powers, most notably the ability to invest in common stocks, corporate bonds and other specified investments.

Deposits

The City maintains deposits in several financial institutions. At June 30, 1987, the City had bank recorded deposits amounting to \$177,886,110, of which \$45,536,826 was covered by federal or state depository insurance plans while the remainder was uninsured and uncollateralized. The State Boston Retirement System also maintains deposits in several financial institutions. The total amount of bank recorded deposits at year end of \$41,981,000 was covered by Federal or state depository insurance plans.

Investments

The following table summarizes the carrying value, estimated market value and risk characteristics ("categories") of the City's investments as of year end. Category 1 represents investments held in the name of the City by either the City or its agent; Category 2 represents investments held by counterparties to the transactions in the name of the City; and, Category 3 represents investments held by counterparties but not in the name of the City. Investments in MMDT, a pooled fund, are not categorized.

	<u>Category</u>			<u>Not Categorized</u>	<u>Carrying Amount</u>	<u>Estimated Market Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>			
	(in thousands)					
Repurchase agreements	-	40,539	350	-	40,889	43,445
U.S. Treasury bills	172,826	-	-	-	172,826	180,776
Money market	-	7,285	165,436	-	172,721	183,516
MMDT	-	-	-	133,822	133,822	138,822
Other investments	-	436,908	-	-	436,908	451,937
Total	\$ 172,826	484,732	165,786	133,822	957,166	998,496

(Continued)

# CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

### (4) Deposits and Investments (Continued)

Of the investments reflected in the preceding table, investments of the City's Pension Fund are 83.6%, 90.1%, and 40.2% of the amounts in Categories 1, 2 and not categorized columns, respectively. Included in the preceding table are investments amounting to \$266 million which are classified as cash and short-term investments in the accompanying continued balance sheet.

The composition of the City's bank recorded deposits and investments fluctuates depending primarily on the timing of real estate tax receipts, proceeds from borrowings, collection of state and Federal aid, and capital outlays throughout the year.

### (5) Property Taxes

Real and personal property taxes are based on values assessed as of each January 1 and are normally due on the subsequent November 1 and May 1. By law, all taxable property in the Commonwealth must be assessed at 100% of fair cash value. Taxes due and unpaid after the respective due dates are subject to interest and penalties. The City has an ultimate right to foreclose on property for which taxes have not been paid. Property taxes levied are recorded as receivables, net of estimated uncollectibles, in the fiscal year of the levy. Property tax revenues are recorded in accordance with the modified accrual basis of accounting described in note 2.

A statewide tax limitation statute known as "Proposition 2-1/2" limits the property tax levy to an amount equal to 2-1/2% of the value of all taxable property in the City. A secondary limitation is that no levy in a fiscal year may exceed the preceding year's allowable tax levy by more than 2-1/2%, plus taxes levied on certain property newly added to the tax rolls. Certain Proposition 2-1/2 taxing limitations can be overridden by a City-wide referendum vote.

### (6) Accounts Receivable

Accounts receivable in the Enterprise Funds as of June 30, 1987 consisted of the following:

(in thousands)

DHH:

Patient accounts receivable	\$ 73,415
Other	1,539
	74,954
Less allowance for uncollectible amounts	40,265
	34,689

THH

3,797

EDIC

974

\$ 39,460

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(7) Loans Receivable - EDIC

At June 30, 1987, loans receivable consisted of the following:

	<u>Loan balance (in thousands)</u>
Boston Harbor Partners Limited Partnership/DLJ Hoffman, Inc. - 9% mortgage note due in September, 2014 with equal quarterly installments of principal and interest of \$281,055	\$ 11,481
Seven Corporation - 8% UDAG loan due in October, 2000 with equal monthly installments of principal and interest of \$15,464	1,575
Nimrod Press, Inc. - 6.5% UDAG loan due in November, 2011 with equal monthly installments of principal totalling \$555 plus interest	169
Agril-Mark, Inc./H.P. Hood, Inc. - 3% UDAG loan due in March, 2010 with equal quarterly installments of principal totalling \$40,000 plus interest beginning in year 8 (interest on years 1-7 deferred until the due date) and a balloon payment of principal totalling \$1,120,000 plus interest on the due date	<u>4,000</u>
Total	\$ <u>17,225</u>

(8) Notes Receivable

Notes receivable in the Trust and Agency Funds are comprised of funds advanced to developers from the BRA under various UDAG and housing initiative agreements. The liabilities to the funding sources are reflected in other accrued liabilities. In prior years' financial statements these notes receivable and corresponding liabilities were not reflected in the Trust and Agency Fund balances sheet. In fiscal year 1987, the BRA adopted the practice of reflecting both the asset and liability on the balance sheet. Accordingly, the balances in both accounts, aggregating \$20,208,271 as of July 1, 1986, have been included in the current year activity.

Notes receivable amounting to \$3,713,800 in the Capital Project Funds represent a promissory note from a developer due to the BRA. The note bears interest at a rate approximating the yield on thirty-year Treasury Bonds. A corresponding amount has been recorded as other accrued liabilities.

(9) Inventories

DHH's inventories in the Enterprise Funds as of June 30, 1987 consisted of the following:

	<u>(in thousands)</u>
Medical and surgical supplies	\$ 584
Drugs and pharmaceuticals	608
Other	<u>276</u>
	\$ <u>1,468</u>

(Continued)

# CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

### (10) Budgetary Data

The City must establish its property tax rate each year so that the resulting property tax levy will comply with the limits required by Proposition 2-1/2 (note 5). The tax levy must equal the sum of (a) the aggregate of all annual appropriations for expenditures, plus (b) provision for the prior fiscal year's deficits, if any, less (c) the aggregate of all non-property tax revenues projected to be received by the City, including available funds, in amounts certified or approved by the Commonwealth of Massachusetts for tax rate purposes.

Proposed budgetary General Fund expenditure appropriations for all departments and operations of the City and Suffolk County, except the public schools, are prepared under the direction of the Mayor. School Department appropriations are acted upon directly by the School Committee up to the level of certain prior year school appropriations. The Mayor may recommend additional sums for school purposes. In addition, the Mayor may submit to the City Council such supplementary appropriation orders as are deemed necessary. The City Council may reduce or reject any item in budgets submitted by the Mayor but may not increase or add items without the recommendation of the Mayor. Supplemental appropriations for the year ended June 30, 1987, after the setting of the tax rate, were \$27.8 million and are included in the final budget column of the budgetary basis financial statement (Exhibit C).

The City budget as presented in the Statement of Revenues and Expenditures - Budgetary Basis General Fund was developed as follows:

Budgeted expenditures	
Operations	\$ 1,125,555
Prior year deficits	<u>15,113</u>
 Total budgeted expenditures and prior year deficits	 \$ <u>1,140,668</u>
 To be funded as follows:	
Budgeted revenue	\$ 1,123,938
Budgeted transfers from other funds	<u>16,730</u>
 Total funding	 \$ <u>1,140,668</u>

The City's General Fund budget is prepared on a basis other than generally accepted accounting principles ("GAAP"). The "actual" results column of the Statement of Revenues and Expenditures Budgetary Basis General Fund is presented on a "budget basis" to provide a meaningful comparison with the budget. The major differences between the budget and GAAP bases are that:

- (a) Budgeted revenues for real estate and personal property taxes are recorded as revenue when levied (budget), as opposed to when susceptible to accrual (GAAP);

(Continued)

## CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

(10) Budgetary Data (Continued)

(b) Encumbrances and continuing appropriations are recorded as the equivalent expenditures (budget) as opposed to a reservation of fund balance (GAAP);

(c) Certain activities and transactions are presented in separate funds (GAAP) rather than as components of the General Fund (budget).

In addition, there are certain differences in classifications between revenue expenditures and transfers.

The following reconciliation summarizes the differences between budgetary and basis accounting principles for the year ended June 30, 1987:

	Net revenue	Expenditures	Other financing sources (uses), net	Total net revenue and sources (expenditures and uses)
	(in thousands)			
As reported on a budgetary basis	\$ 1,131,071	\$ 1,121,678	\$ -	\$ 9,399
Adjustment of property tax revenues from an accrual to a modified accrual basis	(23,996)	-	-	(23,996)
Adjustment of other revenues from a cash to accrual basis	(11,952)	-	-	(11,952)
Reclassification of revenue sharing to Special Revenue Fund	(8,640)	(8,640)	-	-
Reclassification of parking meter revenue and expenditures to Special Revenue Fund	(6,725)	(6,725)	-	-
Reclassification of state-funded teacher's retirement costs between revenue and expenditures	(21,714)	(23,470)	-	1,756
Other retirement adjustments	(15,948)	(15,948)	-	-
Reclassification of Health and Hospitals revenue and expenditures to an Enterprise Fund	(142,749)	(140,789)	7,225	5,265
Reclassification of transfers from other funds and debt service expenditures to other financing sources (uses)	-	(77,256)	(77,256)	-
Reclassification of BRA expenditures for planning to other financing uses	-	(2,107)	(2,107)	-
Adjustment for expenditures, encumbrances and accruals, net	-	(27,759)	-	27,759
Prior years deficits previously reflected on a GAAP basis	15,113	-	-	15,113
Reclassification of premium and accrued interest	253	-	(253)	-
As reported on a GAAP basis	\$ <u>914,713</u>	\$ <u>818,984</u>	\$ <u>(72,391)</u>	\$ <u>23,399</u>

(Continued)

## CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

(11) Property, Plant and Equipment - Enterprise Funds

Property, plant and equipment of DHH, THH, and EDIC by major category, at June 30, 1987 is as follows:

	Department of Health and Hospitals				<u>Total</u>
	<u>Hospital Facilities</u>	<u>South Block Complex</u>	<u>THH</u>	<u>EDIC</u>	
			(in thousands)		
Land	\$ 3,817	\$ 132	\$ -	\$ 3,917	\$ 7,866
Buildings and leasehold improvements	108,360	18,238	-	16,697	143,295
Furniture and equipment	24,676	531	496	1,028	26,731
Construction in process	-	-	-	3,251	3,251
	<u>136,853</u>	<u>18,901</u>	<u>496</u>	<u>24,893</u>	<u>181,143</u>
Less accumulated depreciation	<u>73,368</u>	<u>8,416</u>	<u>273</u>	<u>10,042</u>	<u>92,099</u>
	\$ <u>63,485</u>	\$ <u>10,485</u>	\$ <u>223</u>	\$ <u>14,851</u>	\$ <u>89,044</u>

The South Block Complex consists of residential apartments, parking for resident and hospital use and facilities that house the Boston City School of Practical Nursing.

Included in property, plant and equipment of the Enterprise Funds at June 30, 1987 are capital leases as follows:

	(in thousands)
Equipment	\$ 358
Building and leasehold improvements	<u>8,214</u>
	<u>8,572</u>
Less accumulated depreciation	<u>4,784</u>
Total	\$ <u>3,788</u>

Future minimum payments under these capital leases as of June 30, 1987 are as follows:

	<u>DHH</u>	<u>THH</u>	<u>EDIC</u>	<u>Total</u>
	(in thousands)			
1988	\$ 1,579	\$ 32	\$ 27	\$ 1,638
1989	101	-	27	128
1990	80	-	22	102
1991	-	-	3	3
Total minimum lease payments	<u>1,760</u>	<u>32</u>	<u>79</u>	<u>1,871</u>
Less amount representing interest	<u>108</u>	<u>2</u>	<u>19</u>	<u>129</u>
	<u>1,652</u>	<u>30</u>	<u>60</u>	<u>1,742</u>
Less amount payable to THH Trust Fund	<u>672</u>	<u>-</u>	<u>-</u>	<u>672</u>
Totals	\$ <u>980</u>	\$ <u>30</u>	\$ <u>60</u>	\$ <u>1,070</u>

(Continued)

## CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

(12) Employees' Retirement Systems

The City and the BRA participate in the contributory retirement systems administered by either the State-Boston Retirement System or Boston Retirement System (see note 3). The plans cover substantially all employees. Certain employees exercise alternative rights and retire under noncontributory provisions of law. In accordance with the General Laws of the Commonwealth of Massachusetts, retirement costs are funded on a "pay-as-you-go" basis (estimated retirement benefits to be paid in excess of employees' contributions and earnings thereon). The State annually reimburses the City for substantially all retirement costs of school teachers.

The Commonwealth of Massachusetts is liable for costs of local retirement systems attributable to the cost of living adjustments (COLAs) mandated by the Legislature. Accordingly, these costs have not been reflected as obligations to be provided by the City or the BRA.

The actuarial present value of accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries. Benefits payable under all circumstances are included to the extent they are deemed attributable to employee service rendered to the valuation date.

A summary of the changes in the actuarial present value of accumulated plan benefits for the retirement systems follows:

	<u>City</u>	<u>BRA</u>	<u>Other Entities*</u>	<u>Total</u>
	(in thousands)			
Actuarial present value of accumulated plan benefits at July 1, 1986	\$ <u>1,794,586</u>	\$ <u>17,137</u>	\$ <u>77,797</u>	\$ <u>1,889,520</u>
Increase (decrease) during the year attributable to:				
Benefits paid	(127,599)	(937)	(5,342)	(133,878)
Interest	179,459	1,714	7,780	188,953
Benefits earned and other	<u>4,708</u>	<u>(435)</u>	<u>546</u>	<u>4,819</u>
Net increase	<u>56,568</u>	<u>342</u>	<u>2,984</u>	<u>59,894</u>
Actuarial present value of accumulated plan bene- fits at June 30, 1987	\$ <u>1,851,154</u>	\$ <u>17,479</u>	\$ <u>80,781</u>	\$ <u>1,949,414</u>

\* Not included in the general purpose financial statements.

(Continued)



## CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

(12) Employees' Retirement Systems (Continued)

A comparison of the City's and BRA's accumulated plan benefits and plan net assets as of June 30, 1987 is presented below:

	<u>City</u> (in thousands)	<u>BRA</u>
Actuarial present value of accumulated plan benefits:		
Vested:		
Participants receiving benefits	\$ 1,110,440	\$ 8,573
Other participants	<u>689,548</u>	<u>8,292</u>
	1,799,988	16,865
Nonvested	<u>51,166</u>	<u>614</u>
Total actuarial value of accumulated plan benefits	1,851,154	17,479
Less estimated amounts to be reimbursed by the Commonwealth of Massachusetts for teachers and COLAs	<u>815,456</u>	<u>4,250</u>
	1,035,698	13,229
Net assets available for benefits, excluding estimated amounts related to teachers of \$157 million, at market	<u>554,997</u>	<u>5,317</u>
Excess of accumulated plan benefits over estimated state reimbursement and net assets	480,701	7,912
Liabilities included in Long-Term Obligations Account Group and Health and Hospitals Enterprise Fund at June 30, 1987	<u>505,517</u>	<u>718</u>
Accumulated plan benefits over (under) state reimbursements, net assets and recorded liabilities	\$ <u>(24,816)</u>	\$ <u>7,194</u>

The assumed rate of return used in determining the actuarial present value of accumulated plan benefits for the City and BRA was 10%.

(Continued)

## CITY OF BOSTON, MASSACHUSETTS

## Notes to General Purpose Financial Statements

(12) Employees' Retirement Systems (Continued)

Retirement costs were charged to operations for the year ended June 30, 1987 as follows:

	General Fund (City)	Special Revenue Fund (BRA)	Capital Projects Fund (BRA) (in thousands)	Health and Hospitals Enterprise Fund
Retirement costs determined by an acceptable actuarial cost method which includes amortization of the unfunded actuarial liabilities over a period of forty years	\$ 164,730	\$ 206	\$ 1,377	\$ 13,881
Less amount recorded in General Long-Term Obligations Account Account Group	<u>48,794</u>	<u>2</u>	<u>16</u>	<u>-</u>
Retirement costs before state teachers reimbursement	115,936	204	1,361	13,881
State teachers reimbursement	<u>23,470</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net retirement costs charged to operations	\$ <u>92,466</u>	\$ <u>204</u>	\$ <u>1,361</u>	\$ <u>13,881</u>

Retirement costs charged to DHH are comprised of \$13.2 million charged to hospital operations and \$.6 million charged to subsidies for community services and special programs.

The State-Boston Retirement System (SBRS) operates what is essentially a pension cost sharing arrangement. Annual contributions to SBRS are determined on an overall pooled basis for participating employers. Amounts charged to the participating employers are not affected solely by their own experience or the age and service distribution of their employees. The value of assets, present value of accumulated plan benefits, actuarially determined pension costs and other amounts stated above have been allocated principally on specific census data.

The City has approximately \$36.7 million in a trust fund under the custody of the City Treasurer for purposes of meeting funding requirements for future pension benefits relating to services provided by the DHH's employees. This amount has been partially reimbursed by third-party payors of health care benefits and is included in net assets available for benefits above.

(Continued)

(13) Long-Term Obligations

The following is a summary of bond and other long-term obligation transactions of the City and its component units for the year as well as the composition of debt outstanding at June 30, 1987 and 1986:

City	Interest Rates	Outstanding June 30, 1986	Additions (in thousands)		Outstanding June 30, 1987
				Reductions	
<b>Bonds:</b>					
General purpose, serial maturities through 2006	1/4% to 10 3/4%	\$ 83,665	\$ 13,875	\$ 6,295	\$ 91,245
Urban redevelopment, serial maturities through 2006	4-4/10% to 10-3/4%	88,115	14,162	7,325	94,952
Schools, serial maturities through 2006	4-1/4% to 10-3/4%	158,730	12,329	16,185	154,874
Parking facilities, serial maturities through 2003	4-1/4% to 10-3/4%	15,000	214	1,490	13,724
Public buildings, serial maturities through 2006	4-1/4% to 10-3/4%	98,565	7,903	8,545	97,923
Public works, serial maturities through 2006	4-1/4% to 10-3/4%	44,320	10,042	4,725	49,637
Water, serial maturities through 1996	5-1/10% to 10%	2,270	-	415	1,855
Sewer, serial maturities through 1999	4-1/4% to 7-3/10%	2,455	-	365	2,090
Rapid transit, term maturities through 1995	2-1/4% to 3%	7,549	-	20	7,529
Funding loan act of 1982, serial maturities through 1992	6-1/4% to 9-1/2%	<u>43,000</u> <u>543,669</u>	<u>-</u> <u>58,525</u>	<u>3,200</u> <u>48,565</u>	<u>39,800</u> <u>553,629</u>
<b>Other long-term obligations, net:</b>					
Tax abatement refunds		33,787	-	2,819	30,968
Judgments and claims		452	-	13	439
Sick and vacation		53,105	3,063	-	56,168
Retirement costs		409,450	48,794	-	458,244
Due to other funds		52,149	1,430	-	53,579
<b>BRA</b>					
Sick and vacation, net		1,534	-	18	1,516
Retirement cost, net		<u>798</u>	<u>-</u>	<u>80</u>	<u>718</u>
		\$ 1,024,244	\$ 111,812	\$ 51,495	\$ 1,155,261

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(13) Long-Term Obligations (Continued)

On August 28, 1986, the City issued \$58.5 million in General Obligation Bonds with an average interest rate of 7.03% to advance refund \$47.8 million of 1980, 1983, 1984, and 1985 Series bonds with an average interest rate of 10.5%, 10.72%, 10.70% and 9.72%, respectively. The net proceeds of \$57,472,355 (after payment of \$1.1 million in underwriting fees and other issuance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. The refunded debt was not considered defeased in substance because proceeds of the refunding debt were not invested in essentially risk-free monetary assets as defined by generally accepted accounting principles.

The City advance refunded the 1980, 1983, 1984 and 1985 Series bonds to reduce its total debt service payments over the next 20 years by approximately \$5.9 million and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3.7 million.

The annual debt service requirements of general obligation bonds and notes payable outstanding as of June 30, 1987 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
	(in thousands)		
Year ending June 30,			
1988	\$ 50,225	\$ 41,634	\$ 91,859
1989	53,185	37,824	91,009
1990	52,320	33,967	86,287
1991	51,929	30,121	82,050
1992	52,750	26,293	79,043
1993-1997	167,260	84,125	251,385
1998-2002	86,130	35,743	121,873
2003-2007	<u>39,830</u>	<u>5,880</u>	<u>45,710</u>
	\$ <u>553,629</u>	\$ <u>295,587</u>	\$ <u>849,216</u>

General obligation bonds are backed by the full faith and credit of the City. The Commonwealth of Massachusetts has approved school construction assistance, subject to annual appropriation by the State Legislature and reports filed with the State by the City, which partially provides resources for future principal and interest requirements on general obligation school bonds of the City. In addition, the Boston Water and Sewer Commission is required by its enabling legislation to reimburse the City for future principal and interest requirements on the general obligation water and sewer bonds. As of June 30, 1987, such resources, excluding interest, expected to be provided to the City were \$59.8 million from the State and \$3.9 million from the Boston Water and Sewer Commission.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(13) Long-Term Obligations (Continued)

The City of Boston 1982 Funding Loan Act makes available to the City several sources of revenue to be utilized for the payment of debt service on the Funding Loan Bonds. Such revenues include hotel/motel excise receipts, deed excise receipts and certain new real estate excises. The hotel/motel excise receipts and deed excise receipts may be used by the City solely to pay principal and interest on the Funding Loan Bonds and both dedication and collection of such receipts to the City automatically expire when such bonds are no longer outstanding. The real estate excise receipts are also pledged to the payment of the Funding Loan Bonds. However, the collection of real estate excise receipts will not expire upon payment of the Funding Loan Bonds.

As of June 30, 1987, the City has \$7.6 million on deposit with the Board of Sinking Funds Commissioners for retirement of rapid transit term general obligation bonds. The deposit is accounted for in the Debt Service Fund. If payments by the Board from the sinking fund are not sufficient to fully provide for principal and interest on such debt as it becomes due, the City is entitled to receive direct payments from the Massachusetts Bay Transportation Authority to the extent of any such deficiency.

The City is subject to a dual level general debt limit; the normal debt limit and the double debt limit. Such limits are equal to 2 1/2% and 5%, respectively, of the valuation of taxable property in the City as last equalized by the State Department of Revenue. Debt may be authorized up to the normal debt limit without state approval. Authorizations under the double debt limit, however, require the approval of the Commonwealth's Emergency Finance Board. Additionally, there are many categories of general obligation debt which are exempt from the debt limit but are subject to other limitations.

As of June 30, 1987, the City may issue \$395.6 million additional general obligation debt under the dual level general debt limit. General obligation debt of \$152.7 million subject to the double debt limit and \$76.3 million exempt from the debt limit is authorized but unissued as of June 30, 1987.

The City pays assessments under formulas which include debt service payments to other local governmental units providing services within the City's boundaries (commonly referred to as overlapping debt). The primary overlapping debt relates to the Massachusetts Bay Transportation Authority (MBTA) and the Metropolitan Parks District (MDC). The following summary sets forth the long-term debt of each entity at June 30, 1987, the estimated share of such debt being serviced by the City and the total of the City's share of indirect debt.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(13) Long-Term Obligations (Continued)

	Long-Term Debt <u>Outstanding</u>	City's Estimated <u>Share</u>	City's Indirect <u>Debt</u>
	(Dollar amounts in thousands)		
MBTA	\$ 137,453	42.19%	\$ 57,991
MDC	<u>40,583</u>	19.20%	<u>7,792</u>
	\$ <u>178,036</u>		\$ <u>65,783</u>

Long-term obligations of EDIC consist of industrial development bonds, notes and mortgages which mature as follows:

Year ending June 30,	(in thousands)
1988	\$ 478
1989	330
1990	434
1991	2,967
1992	471
1993-2118	<u>14,679</u>
	\$ <u>19,359</u>

(14) Temporary Borrowings

Under state law and by authorization of the City Council, the City is authorized to borrow funds on a temporary basis as follows:

- o To fund current operating costs prior to the collection of revenues by issuing revenue anticipation notes (RANs).
- o To fund capital project costs incurred prior to selling funded debt by issuance of bond anticipation notes (BANs).

Temporary loans are general obligations of the City and carry maturity dates which are limited by statute. During 1987 the City issued \$70.0 million of RANS which matured during the year. Interest on the RANS amounted to \$3.0 million and is accounted for in the General Fund. No BANS were issued during the year.

In connection with the redevelopment of the Charlestown Navy Yard the BRA was advanced \$1.7 million by the developer to fund the acquisition of property in return for a note collateralized by a mortgage. The remainder of the note was repaid in fiscal year 1987 by the transfer of the property to the developer as the developer completed certain specified property improvements.

In fiscal year 1987, the Authority recognized revenue of \$928,000 relating to equity participation on sales of property within the Navy Yard by the developer.

CITY OF BOSTON, MASSACHUSETTS  
Notes to General Purpose Financial Statements

(15) Operating Transfers

Operating transfers constitute the transfer of resources from the fund that receives the resources to the fund that utilizes them. Operating transfers during the year were as follows:

	Transfers in (out)						NonExpendable Trusts
	General 1987	General 1986	Special Revenue	Debt Service	Capital Projects (in thousands)	Expendable Trusts	
BRA transfers:							
Operations	\$ (2,107)	\$ (3,874)	\$ 1,321	\$ -	\$ 786	\$ -	\$ -
Capital projects	-	-	(1,759)	-	1,759	-	-
Debt service	(78,628)	(74,733)	(253)	79,286	(405)	-	-
Health and Hospitals operating subsidy	5,795	2,465	-	-	(1,341)	-	-
Add amount transferred to (from) the long-term obli- gations account group	1,429	(289)	-	-	-	-	-
School grants	-	4,494	-	-	-	-	-
Trust funds	1,120	-	297	-	-	364	(2,253)
	\$ (72,391)	\$ (71,937)	\$ (394)	\$ 79,286	\$ 799	\$ 364	\$ (2,253)

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(16) Contingencies

JUDGMENTS AND CLAIMS, ABATEMENT REFUNDS AND QUESTIONED AND DISALLOWED COSTS

Numerous lawsuits are pending or threatened against the City, which arose from the ordinary course of operations, including actions commenced and claims asserted against it for property damage and personal injury, breaches of contract, condemnation proceedings and other alleged violations of law. Provisions have been made for losses which are probable and estimable.

The accompanying general purpose balance sheet includes an estimated liability of \$205.9 million, including interest, relating to property tax abatement appeals. Abatement appeals prior to revaluation in fiscal 1983 allege the City disproportionately assessed properties and improperly classified property entering into the basis of abatement decisions. In addition, a major utility has an appeal pending which alleges the method of assessment was incorrect. Additional property tax abatement appeals have been filed since revaluation including certain utility companies alleging overvaluation of their real and personal property and a series of appeals have been filed which relate to the classification of the taxpayer (residential, commercial and exempt). The City has recorded an estimated liability for all abatement appeals where a refund is probable.

On December 31, 1987, the City and the Boston Gas Company (Boston Gas) agreed to settle litigation pending before the Appellate Tax Board relating to real estate tax abatements for fiscal years 1983, 1984, 1985, 1987 and 1988. The settlement required the City to pay Boston Gas \$3.4 million during fiscal year 1988 and approximately \$2.4 million in each of the fiscal years 1989 through 1992 which relate to the settlement of claims associated with fiscal years 1983, 1984, 1985 and 1987. These amounts have been recorded as a liability of the General Fund as of June 30, 1987.

The City receives significant financial assistance from numerous federal and state agencies in the form of grants and entitlements. Expenditures of funds under these programs require compliance with the grant agreements and are subject to audit. Any disallowed expenditures resulting from such audits become a liability of the City. Estimates of such costs have been provided for in the financial statements.

THIRD-PARTY REIMBURSEMENT

Under Chapter 372, the Medicare and Medicaid programs reimbursed Boston City Hospital for a portion of the cost of providing free care to patients. The determination of these free care reimbursement amounts was subject to uncertainties, including the levels of free care provided by other Massachusetts hospitals and the specifics of formula application to Boston City Hospital. The Hospital has reached a tentative agreement with the Medicare and Medicaid programs as to the ultimate amount of free care reimbursement due the Hospital under Chapter 372. As a result, the Hospital has recognized as revenue approximately \$29.7 million through a reduction of contractual adjustments in the Statement of Revenues, Expenses and Changes in Fund Equity for the year ended June 30, 1987.



## **GENERAL FUND**



**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT B-1**

**GENERAL FUND, BALANCE SHEET**

**June 30, 1987**

**(with comparative figures for June 30, 1986)**

	<u>1987</u>	<u>1986</u>
<b>Assets:</b>		
Cash and short-term investments (Note 4)	\$250,201	\$ 43,889
Receivables for estimated collectible accounts:		
Property taxes (Note 5)	13,615	194,977
Motor vehicle excise	3,951	1,242
Intergovernmental	29,497	28,292
Accounts (Note 6)	15,975	9,822
Due from other funds	38,859	30,728
 Total assets	 <u>\$352,098</u>	 <u>\$308,950</u>
<b>Liabilities:</b>		
Warrants and accounts payable	\$ 43,339	\$ 31,262
Accrued Liabilities:		
Tax abatement refunds	174,994	110,757
Judgments and claims	36	1,486
Other	3,643	27,324
Due to other funds	64,888	96,261
 Total liabilities	 <u>286,900</u>	 <u>267,090</u>
<b>Fund Equity:</b>		
Other fund equity:		
Reserved for:		
Encumbrances	64,366	48,052
Unreserved:		
Undesignated	832	(6,192)
 Total fund equity	 <u>65,198</u>	 <u>41,860</u>
Contingencies (Note 16)		
Total liabilities and fund equity	<u>\$352,098</u>	<u>\$308,950</u>

See accompanying notes of general purpose financial statements in section A.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT B-2**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 1987**  
**(with comparative figures for June 30, 1986)**

	1987	1986
Revenues:		
Local:		
Real and personal property taxes, net (Note 5)	\$357,558	\$319,823
Excises (Note 13)	42,321	30,876
Payments in lieu of taxes	41,110	36,360
Licenses and permits	18,592	17,817
Fines	36,878	33,931
Investment income	20,215	21,324
Departmental and other revenue	33,621	35,672
Total local revenues	550,295	495,803
Intergovernmental:		
Commonwealth of Massachusetts	358,896	307,425
Other	5,522	5,423
Total intergovernmental revenues	364,418	312,848
Total revenues	914,713	808,651
Expenditures:		
Current operations:		
General Government	\$ 38,805	\$ 35,140
Public Safety	169,528	133,410
Public Works	56,317	36,077
Property and Development	19,140	14,629
Libraries	17,668	13,147
Parks and Recreation	9,074	5,585
Human Services	5,799	4,769
Schools	284,746	272,118
County	22,187	18,947
Retirement Costs (Note 12)	92,466	85,677
Other Employee Benefits	32,880	29,546
Judgments and Claims	11,585	15,111
State and District Assessments	45,213	45,575
Miscellaneous	3,534	2,687
Capital outlays	6,620	4,142
Debt service	3,402	4,833
Total expenditures	818,984	721,393
Excess (deficiency) of revenues over expenditures	95,729	87,258
Other financing sources (uses):		
Operating transfers in (out), net (Note 15)	(72,391)	(71,937)
Total Other Financing Sources (Uses) Net	(72,391)	(71,937)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	23,338	15,321
Fund equity, beginning of year	41,860	26,539
Fund equity, end of year	\$ 65,198	\$ 41,860

See accompanying notes of general purpose financial statements in section A.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT B-3**

**STATEMENT OF BUDGET AND ACTUAL REVENUES (BUDGETARY BASIS)**

**YEAR ENDED JUNE 30, 1987**

	Budget	Actual	Favorable (Unfavorable) Variance
<b>REVENUES FROM OPERATIONS:</b>			
<b>Real and personal property taxes levied:</b>			
Initial levy .....	\$396,999,808	\$391,034,246	\$(5,965,562)
Additional levy .....	—	543,782	543,782
Total property taxes levied .....	396,999,808	391,578,028	(5,421,780)
Less estimated abatements and exemptions .....	—	34,128	34,128
Net property taxes .....	396,999,808	391,543,900	(5,455,908)
<b>Excises:</b>			
Motor vehicle excises:			
Current year collections .....	8,400,000	6,089,416	(2,310,584)
Prior years' collections .....	5,600,000	9,764,669	4,164,669
Hotel/motel room excise .....	11,700,000	10,397,760	(1,302,240)
Aircraft fuel excise .....	13,200,000	13,274,726	74,726
Boat excise .....	20,100	15,214	(4,886)
Total excise .....	38,920,100	39,541,785	621,685
<b>Department and other revenues:</b>			
General government .....	108,746,690	118,729,282	9,982,592
Schools .....	690,000	602,939	(87,061)
Hospitals .....	142,500,000	142,748,907	248,907
County .....	3,851,500	4,792,331	940,831
Total Department Revenues (Exhibit B-5) .....	255,788,190	266,873,459	11,085,269
<b>REVENUES FROM COMMONWEALTH:</b>			
<b>General government purposes:</b>			
Loss of taxes state owned land .....	788,155	1,218,911	430,756
Government Center in lieu taxes .....	788,326	357,569	(430,757)
<b>Property tax exemptions and abatements:</b>			
Elderly .....	1,840,801	1,640,755	(200,046)
Veterans .....	65,001	84,562	19,561
Widows .....	264,150	264,149	(1)
Blind persons .....	24,763	27,212	2,449
Public library local aid .....	539,746	540,198	452
Library of last recourse .....	1,604,738	1,604,738	—
Highway fund distribution .....	841,618	841,618	—
Local aid fund distribution .....	225,407,883	225,407,778	(105)
Lottery local aid distribution .....	16,782,255	16,741,049	(41,206)
Racing taxes .....	505,000	511,423	6,423
Veterans' benefits .....	1,307,396	1,245,086	(62,310)
Pensions to retired teachers .....	22,262,694	21,713,849	(548,845)
Urban development C121A ss10 .....	25,824,820	29,567,241	3,742,421
Total state revenues - gen'l. govt. ....	298,847,346	301,766,138	2,918,792

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT B-3**  
**STATEMENT OF BUDGET AND ACTUAL REVENUES (BUDGETARY BASIS)**  
**YEAR ENDED JUNE 30, 1987**

	Budget	Actual	Favorable (Unfavorable) Variance
School purposes:			
School aid C70 .....	82,180,553	82,257,010	76,457
Transportation of pupils .....	9,585,471	10,243,455	657,984
Tuition for state wards .....	1,134,259	935,918	(198,341)
Recreational programs .....	184,697	—	(184,697)
School construction — C645 - 194B .....	16,631,974	16,233,016	(398,958)
Total state revenues — school .....	109,716,954	109,669,399	(47,555)
Total revenues from Commonwealth .....	408,564,300	411,435,537	2,871,237
Transfer from other funds:			
Federal revenue sharing .....	8,640,000	8,640,000	—
Cemetery revenues .....	1,148,000	1,148,000	—
Accrued interest .....	156,057	294,095	138,038
Parking meter .....	6,725,000	6,725,000	—
Total transfers .....	16,669,057	16,807,095	138,038
Non-recurring and other available funds:			
Net prior year deficits .....	(15,112,719)	(15,112,719)	—
Votable excess .....	15,948,468	15,948,468	—
Free cash .....	4,016,236	4,016,236	—
Sales of garages .....	3,700,000	—	(3,700,000)
Betterments .....	43,000	—	(43,000)
Other .....	18,328	18,328	—
Total other available funds .....	8,613,313	4,870,313	(3,743,000)
Total revenues budgetary basis .....	\$1,125,554,768	\$1,131,072,089	\$5,517,321

# CITY OF BOSTON AND COUNTY OF SUFFOLK

## EXHIBIT B-4

### GENERAL FUND

#### SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET

For the Fiscal Year Ended June 30, 1987

	Budget				Actual			Variance Favorable (Unfavorable)
	Originally Adopted	Supplemental	Reallocation Transfers	Final	Expenditures	Encumbrances	Total	
<b>Legislative and Executive:</b>								
Mayor's Office Expense .....	\$ 940,093	—	—	\$ 940,093	\$ 831,916	\$ 73,822	\$ 905,738	\$ 34,355
City Council .....	2,083,400	—	\$ 40,000	2,123,400	1,958,361	53,805	2,012,166	111,234
Mayor's Office,								
Licensing Division .....	420,140	—	50,000	470,140	410,288	36,661	446,949	23,191
Boston Committee .....	190,000	—	—	190,000	143,759	46,240	189,999	1
Human Rights Commission .....	179,649	—	9,200	188,849	157,620	8,414	166,034	22,815
Freedom Trail Commission .....	200,000	—	—	200,000	183,326	16,673	199,999	1
Press Office .....	174,865	—	8,000	182,865	139,635	11,205	150,840	32,025
Neighborhood Services .....	947,850	—	60,000	1,007,850	915,941	69,120	985,061	22,789
Office of Business and Cultural Affairs .....	692,252	—	223,500	915,752	822,999	73,829	896,828	18,924
Capital Planning .....	195,180	—	117,300	312,480	273,770	21,705	295,475	17,005
Women's Commission .....	68,320	—	—	68,320	57,297	5,996	63,293	5,027
Policy Office .....	384,200	—	95,000	479,200	341,747	49,452	391,199	88,001
Employment Commission .....	—	—	150,000	150,000	50,640	8,145	58,785	91,215
Reallocation .....	—	—	62,000	62,000	—	—	—	62,000
Total Legislative and Executive .....	6,475,949	—	815,000	7,290,949	6,287,299	475,067	6,762,366	528,583
<b>Elections:</b>								
Election Department .....	1,948,155	—	267,106	2,215,261	1,956,034	42,044	1,998,078	217,183
Listing Board .....	400,000	—	22,894	422,894	425,755	1,848	427,603	(4,709)
Total Elections .....	2,348,155	—	290,000	2,638,155	2,381,789	43,892	2,425,681	212,474
<b>Finance:</b>								
Auditing Department .....	1,289,612	—	65,000	1,354,612	1,217,710	80,606	1,298,316	56,296
Assessing Department .....	6,975,081	—	—	6,975,081	5,096,395	1,047,856	6,144,251	830,830
Treasury Division Collecting .....	2,311,983	—	(3,500)	2,308,483	1,651,553	49,008	1,700,561	607,922
Treasury Division Treasury .....	1,208,817	—	3,500	1,212,317	967,164	40,835	1,007,999	204,318
Total Finance .....	11,785,493	—	65,000	11,850,493	8,932,822	1,218,305	10,151,127	\$1,699,366

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT B-4**

**GENERAL FUND**

**SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET**

**For the Fiscal Year Ended June 30, 1987**

	Budget				Actual		Variance Favorable (Unfavorable)
	Originally Adopted	Supplemental	Reallocation Transfers	Final	Expenditures	Encumbrances	
Administrative Services:							
Personnel Division .....	\$ 1,171,300	—	\$ 80,000	\$ 1,251,300	\$ 1,141,675	\$ 4,942	\$ 1,146,617
Purchasing Division .....	810,800	—	50,000	860,800	798,833	8,948	807,781
Budget Division .....	2,180,872	—	225,000	2,405,872	2,229,549	129,208	2,358,757
Purchasing Division, Printing Section .....	1,917,387	—	(7,000)	1,910,387	1,634,182	136,548	1,770,730
Data Processing Unit .....	8,260,020	—	105,000	8,365,020	5,407,212	2,880,515	8,287,727
Labor Relations Division .....	318,326	—	(13,000)	305,326	267,392	21,939	289,331
Administrative Services, D.C.M. Administrative Services, Cable .....	99,100 345,700	— —	15,000 90,000	114,100 435,700	106,403 422,607	3,422 13,055	109,825 435,662
Total of Budgeted Division .....	15,103,505	—	545,000	15,648,505	12,007,853	3,198,577	15,206,430
							442,075
Law:							
Law Department .....	2,239,500	—	400,000	2,639,500	2,303,447	540,286	2,843,733
Total Law Department .....	2,239,500	—	400,000	2,639,500	2,303,447	540,286	2,843,733
							(204,233)
Recording and Reporting:							
City Clerk Department .....	355,460	—	5,000	360,460	348,215	5,835	354,050
Registry Division .....	556,969	—	—	556,969	509,934	3,215	513,149
Total Reporting and Recording .....	912,429	—	5,000	917,429	858,149	9,050	867,199
							50,230
Miscellaneous General Government							
Finance Commission .....	124,272	—	20,000	144,272	130,929	11,760	142,689
Fair Housing Commission .....	167,545	—	—	167,545	160,826	5,126	165,952
Emergency Shelter Commission .....	119,525	—	—	119,525	71,595	7,195	78,790
Annual Audit Cost .....	500,000	—	—	500,000	358,046	184,038	542,084
Reserve Fund .....	3,950,000	4,550,000	—	8,500,000	—	8,500,000	8,500,000
Cost of Issuance .....	3,561,500	—	(2,500,000)	1,061,500	950,633	77,929	1,028,562
Total Miscellaneous General Government .....	8,422,842	4,550,000	(2,480,000)	10,492,842	1,672,029	8,786,048	10,458,077
Total General Government .....	47,287,873	4,550,000	(360,000)	51,477,873	34,443,388	14,271,225	48,714,613
							2,763,260



**EXHIBIT B-4**

**GENERAL FUND**

**SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET**

**For the Fiscal Year Ended June 30, 1987**

	Budget				Actual		Variance Favorable (Unfavorable)
	Originally Adopted	Supplemental	Reallocation Transfers	Final	Expenditures	Encumbrances	
<b>Public Safety</b>							
Police Department .....	\$89,000,000	\$2,700,000	—	\$91,700,000	\$91,227,589	\$1,613,907	\$92,841,496 \$(1,141,496)
Fire Department .....	68,200,000	—	—	68,200,000	66,882,716	1,364,161	68,246,877 (46,877)
Traffic and Parking Department .....	9,363,660	1,725,000	\$ 40,000	11,128,660	9,479,473	1,348,149	10,827,622 301,038
Parking Clerk .....	6,493,340	—	—	6,493,340	5,715,552	562,336	6,277,888 215,452
Arson Commission .....	88,400	—	—	88,400	61,680	3,920	65,600 22,800
<b>Total Public Safety .....</b>	<b>173,145,400</b>	<b>4,425,000</b>	<b>40,000</b>	<b>177,610,400</b>	<b>173,367,010</b>	<b>4,892,473</b>	<b>178,259,483 (649,083)</b>
<b>Inspection:</b>							
Licensing Board .....	480,230	—	—	480,230	392,017	33,243	425,260 54,970
Inspectional Services .....	7,953,224	220,000	—	8,173,224	7,472,084	258,777	7,730,861 442,363
<b>Total Inspection .....</b>	<b>8,433,454</b>	<b>220,000</b>	<b>—</b>	<b>8,653,454</b>	<b>7,864,101</b>	<b>292,020</b>	<b>8,156,121 497,333</b>
<b>Public Works:</b>							
Snow Removal .....	2,000,000	2,000,000	—	4,000,000	4,107,848	666,554	4,774,402 (774,402)
Public Works Department .....	53,891,262	4,900,000	—	58,791,262	49,900,633	4,836,833	54,737,466 4,053,796
<b>Total Public Works .....</b>	<b>55,891,262</b>	<b>6,900,000</b>	<b>—</b>	<b>62,791,262</b>	<b>54,008,481</b>	<b>5,503,387</b>	<b>59,511,868 3,279,394</b>
<b>Health and Hospitals:</b>							
Health and Hospitals Division .....	115,146,854	3,703,000	(640,000)	118,209,854	107,139,473	9,545,958	116,685,431 1,524,423
Mattapan Chronic Disease Hospital .....	11,932,268	—	250,000	12,182,268	10,855,420	806,627	11,662,047 520,221
Long Island Hospital .....	12,420,878	—	390,000	12,810,878	11,531,708	909,993	12,441,701 369,177
<b>Total Health and Hospitals .....</b>	<b>139,500,000</b>	<b>3,703,000</b>	<b>—</b>	<b>143,203,000</b>	<b>129,526,601</b>	<b>11,262,578</b>	<b>140,789,179 2,413,821</b>
<b>Human Services:</b>							
Veterans Service Department .....	2,668,193	—	35,000	2,703,193	2,466,068	171,167	2,637,235 65,958
Veterans Graves Registration .....	135,228	—	—	135,228	104,251	26,548	130,799 4,429
Rent Control Administration .....	983,199	—	—	983,199	896,454	41,844	938,298 44,901
Commission on Affairs of Elderly .....	2,062,142	—	50,000	2,112,142	1,950,725	133,390	2,084,115 28,027
Commission on the Handicapped .....	125,966	—	5,000	130,966	115,958	9,836	125,804 5,162
Office of Arts and Humanities .....	91,685	—	30,000	121,685	112,424	7,963	120,387 1,298
<b>Total Human Services .....</b>	<b>6,066,413</b>	<b>—</b>	<b>120,000</b>	<b>6,186,413</b>	<b>5,645,890</b>	<b>390,748</b>	<b>6,036,638 149,775</b>

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT B-4**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET**  
**For the Fiscal Year Ended June 30, 1987**

	Budget				Actual			Variance Favorable (Unfavorable)
	Originally Adopted	Supplemental	Reallocation Transfers	Final	Expenditures	Encumbrances	Total	
<b>Libraries:</b>								
Library Department .....	\$15,805,238	\$ 937,760	\$1,206,724	\$17,949,722	\$17,570,911	\$ 65,398	\$17,636,309	\$313,413
Total Library .....	15,805,238	937,760	1,206,724	17,949,722	17,570,911	65,398	17,636,309	313,413
<b>Parks and Recreation Department:</b>								
Parks and Recreation Department .....	6,574,011	2,800,000	—	9,374,011	7,966,890	1,272,186	9,239,076	134,935
Environmental Affairs .....	461,936	—	35,000	496,936	415,363	51,536	466,899	30,037
Cemetery Division .....	873,000	—	275,000	1,148,000	868,564	252,638	1,121,202	26,798
Total Parks and Recreation .....	7,908,947	2,800,000	310,000	11,018,947	9,250,817	1,576,360	10,827,177	191,770
<b>Property and Development:</b>								
Boston Redevelopment Authority .....	2,250,000	—	41,057	2,291,057	2,271,634	19,423	2,291,057	—
Real Property .....								
Department/County .....	880,590	—	(45,100)	835,490	744,865	48,546	793,411	42,079
Building Division .....	4,779,150	—	113,100	4,892,250	4,660,355	486,533	4,946,888	(54,638)
Property Division .....	679,350	—	52,000	731,350	642,368	208,387	850,755	(119,405)
Community School, .....								
Recreation Division .....	1,450,000	—	171,250	1,621,250	1,520,874	80,228	1,601,102	20,148
Public Facilities Department .....	9,805,105	—	200,000	10,005,105	7,921,215	1,879,128	9,800,343	204,762
Public Facilities .....								
Community Schools .....	2,685,000	522,000	(171,250)	3,035,750	2,987,264	15,615	3,002,879	32,871
Total Property .....								
and Development .....	22,529,195	522,000	361,057	23,412,252	20,548,575	2,737,860	23,286,435	125,817
<b>Judgments and Claims:</b>								
Execution of Courts, Damages, .....								
Reimbursements .....	5,000,000	—	—	5,000,000	4,709,963	6,595	4,716,558	283,442
Total Judgments and Claims .....	5,000,000	—	—	5,000,000	4,709,963	6,595	4,716,558	283,442

# CITY OF BOSTON AND COUNTY OF SUFFOLK

## EXHIBIT B-4

### GENERAL FUND

#### SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET

For the Fiscal Year Ended June 30, 1987

	Budget				Actual		Variance Favorable (Unfavorable)
	Originally Adopted	Supplemental	Reallocation Transfers	Final	Expenditures	Encumbrances	
<b>Employee Benefits:</b>							
Hospital and Insurance Plan for Employees .....	\$ 35,589,654	—	\$(300,000)	\$35,289,654	\$33,683,284	\$1,569,845	\$35,253,129 \$ 36,525
Workmen Compensation Services .....	307,969	—	—	307,969	260,377	1,810	262,187 45,782
Workmen's Compensation .....	2,061,850	—	—	2,061,850	1,852,830	—	1,852,830 209,020
Total Employee Benefits .....	37,959,473	—	(300,000)	37,659,473	35,796,491	1,571,655	37,368,146 291,327
<b>Contribution to Retirement Funds:</b>							
Pensions and Annuities City .....	10,200,000	—	—	10,200,000	9,629,544	—	9,629,544 570,456
State-Boston Retirement System .....	1,196,848	—	290,000	1,486,848	1,486,848	—	1,486,848 —
Workmen's Compensation Credit .....	150,000	—	—	150,000	11,023	—	11,023 138,977
Pensions and Annuities — County .....	830,000	—	—	830,000	794,477	—	794,477 35,523
State-Boston Retirement System .....	129,127,549	—	2,688,721	131,816,270	131,813,862	—	131,813,862 2,408
Total Contributions to Retirement .....	141,504,397	—	2,978,721	144,483,118	143,735,754	—	143,735,754 747,364
<b>School Budget:</b>							
General Schools .....	274,400,000	—	—	274,400,000	272,838,137	9,437,341	282,275,478 (7,875,478)
Planning and Engineering .....	8,000,000	—	—	8,000,000	6,177,012	1,567,561	7,744,573 255,427
Total School Budget .....	282,400,000	—	—	282,400,000	279,015,149	11,004,902	290,020,051 (7,620,051)
<b>County Budget:</b>							
Registry of Deeds .....	1,396,380	—	65,000	1,461,380	1,371,578	97,390	1,468,968 (7,588)
Court House Custodian .....	4,275,934	—	—	4,275,934	3,906,806	275,468	4,182,274 93,660
Jail .....	7,117,700	—	280,000	7,397,700	6,822,310	314,809	7,137,119 260,581
House of Correction .....	9,399,500	—	10,000	9,409,500	8,575,631	792,530	9,368,161 41,339
Total County .....	22,189,514	—	355,000	22,544,514	20,676,325	1,480,197	22,156,522 387,992

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT B-4**  
**GENERAL FUND**

**SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET**  
**For the Fiscal Year Ended June 30, 1987**

	Budget				Actual			Variance Favorable (Unfavorable)
	Originally Adopted	Supplemental	Reallocation Transfers	Final	Expenditures	Encumbrances	Total	
<b>Debt Requirement:</b>								
City Debts/Int. Pay .....	\$36,663,408	—	—	\$36,663,408	\$36,663,407	—	\$36,663,407	\$ 1
Interest on Refunded Taxes .....	30,000	—	—	30,000	—	—	—	30,000
Temporary Loan Interest .....	3,037,900	—	—	3,037,900	2,991,777	—	2,991,777	46,123
Minibonds .....	2,000,000	—	\$(970,000)	1,030,000	1,030,000	—	1,030,000	—
City Loan Redemption .....	44,565,000	—	—	44,565,000	44,565,000	—	44,565,000	—
Total Debt Interest .....	86,296,308	—	(970,000)	85,326,308	85,250,184	—	85,250,184	76,124
<b>State and District Assessment:</b>								
State Exam of Retirement .....	83,430	—	—	83,430	83,430	—	83,430	—
Health Insurance-Retirement Pr .....	448,671	—	—	448,671	448,671	—	448,671	—
Mosquito Control Projects .....	52,731	—	—	52,731	52,731	—	52,731	—
Special Education Chapter 766 .....	749,580	—	—	749,580	409,248	—	409,248	340,332
Suffolk County Ext. Service .....	41,206	—	—	41,206	—	—	—	41,206
Total State Assessment .....	1,375,618	—	—	1,375,618	994,080	—	994,080	381,538
<b>Metropolitan District Assessments:</b>								
Metropolitan Air Pollution .....	102,208	—	—	102,208	102,208	—	102,208	—
Metro Area Planning .....	101,999	—	—	101,999	102,000	—	102,000	(1)
MBTA Assessments .....	44,247,440	—	—	44,247,440	44,004,276	—	44,004,276	243,164
M.D.C. Assessments .....	10,765	—	—	10,765	10,764	—	10,764	1
Total Metropolitan Assessment .....	44,462,412	—	—	44,462,412	44,219,248	—	44,219,248	243,164
<b>Total .....</b>	<b>\$1,097,755,504</b>	<b>\$24,057,760</b>	<b>\$3,741,502</b>	<b>\$1,125,554,766</b>	<b>\$1,066,622,968</b>	<b>\$55,055,398</b>	<b>\$1,121,678,366</b>	<b>\$3,876,400</b>

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT B-5**

**GENERAL FUND**

**STATEMENT OF DEPARTMENTAL REVENUES (BUDGETARY BASIS)**

**YEAR ENDED JUNE 30, 1987**

	Estimate	Actual	Favorable (Unfavorable) Variance
City:			
Licenses and Permits:			
Building Structures and Permits .....	\$13,875,000	\$13,504,135	\$(370,865)
Weights and Measures .....	115,000	100,938	(14,062)
Street and Curb Permits .....	650,000	603,588	(46,412)
Health Inspections .....	480,000	442,855	(37,145)
Alcoholic Beverages Licenses .....	2,180,000	2,206,300	26,300
Peddlers Licenses .....	18,000	7,900	(10,100)
Entertainment Licenses .....	750,000	387,164	(362,836)
Professional and Occupational Licenses .....	100,000	122,110	22,110
Police and Protective Licenses and Permits .....	250,000	342,047	92,047
Other Business Licenses and Permits .....	400,000	873,777	473,777
Cable Television .....	250,000	1,287	(248,713)
Registry Division — Fees .....	700,000	705,314	5,314
Total .....	\$19,768,000	\$19,297,415	\$(470,585)
Charges for Services:			
Data Processing Services .....	\$ 600	\$ 84	\$ (516)
Purchasing Services .....	8,000	130,830	122,830
Recording of Legal Instruments .....	150	164	14
Sale of Publications .....	17,300	10,407	(6,893)
Assessing Fees .....	1,000	1,604	604
Liens .....	504,000	581,045	77,045
Sale of Equipment .....	30,000	—	(30,000)
Other General Services .....	45,000	29,823	(15,177)
City Clerk — Fees .....	200,000	239,292	39,292
Election Fees .....	6,000	7,269	1,269
Total .....	\$812,050	\$1,000,518	\$188,468

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT B-5**  
**GENERAL FUND**  
**STATEMENT OF DEPARTMENTAL REVENUES (BUDGETARY BASIS)**  
**YEAR ENDED JUNE 30, 1987**

	Estimate	Actual	Favorable (Unfavorable) Variance
<b>Public Safety:</b>			
Police Services .....	\$ 400,000	\$ 361,118	\$(38,882)
Fire Services .....	800,000	1,247,998	447,998
Civil Defense .....	40,000	27,465	(12,535)
Total .....	<u>\$1,240,000</u>	<u>\$1,636,581</u>	<u>\$396,581</u>
<b>Public Works and Facilities:</b>			
Parking Facilities .....	\$2,800,000	\$2,905,269	\$105,269
Street, Sidewalk and Curb Repairs .....	2,650,000	2,410,081	(239,919)
Building — Rents .....	500,000	488,974	(11,026)
Real Property — Rents .....	40,000	43,993	3,993
Demolition of Abandoned Structures .....	25,000	54,926	29,926
Damage to City Property .....	50,000	27,757	(22,243)
Other Revenues — Public Facilities .....	15,000	17,889	2,889
Public Works Department — Other Charges .....	10,000	9,350	(650)
Total .....	<u>\$6,090,000</u>	<u>\$5,958,239</u>	<u>\$(131,761)</u>
<b>Miscellaneous:</b>			
Telephone Commissions — County .....	\$ 3,300	\$ 6,134	\$ 2,834
Telephone Commissions — Jail .....	13,527	—	(13,527)
Telephone Commissions .....	62,000	61,414	(586)
Unclaimed Money .....	100	(7,431)	(7,531)
Insurance Proceeds .....	112,000	24,986	(87,014)
Pensions and Annuities .....	40,000	42,756	2,756
Fringe and Indirect Costs .....	800,000	457,473	(342,527)
Contributions and Donations .....	100	155	55
Sale of Real Estate .....	250	3,263	3,013
Interest on Investment .....	17,200,000	19,495,655	2,295,655
Prior Year Reimbursements .....	1,100,000	(145,397)	(1,245,397)
Miscellaneous Refunds .....	400,000	262,455	(137,545)
Miscellaneous Collecting .....	20,000	17,588	(2,412)
Miscellaneous Treasury .....	700	331	(369)
New Court House Trial Court — Space Rental .....	5,685,573	10,474,805	4,789,232
Tellers' Adjustments .....	300	(889)	(1,189)
Total .....	<u>\$25,437,850</u>	<u>\$30,693,298</u>	<u>\$5,255,448</u>

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT B-5**  
**GENERAL FUND**  
**STATEMENT OF DEPARTMENTAL REVENUES (BUDGETARY BASIS)**  
**YEAR ENDED JUNE 30, 1987**

	Estimate	Actual	Favorable (Unfavorable) Variance
<b>Parking Fines:</b>			
Parking Fines .....	—	\$14,752,501	\$14,752,501
Mail Collection of Parking Fines .....	\$30,377,223	19,960,218	(10,417,005)
Total .....	\$30,377,223	\$34,712,719	\$4,335,496
<b>Cultural and Recreation Services:</b>			
Concessions — Parks and Rents .....	\$10,000	\$5,325	\$(4,675)
Miscellaneous Parks .....	3,000	3,956	956
Total .....	\$13,000	\$9,281	\$(3,719)
<b>Veterans Services .....</b>	\$90,000	\$75,824	\$(14,176)
Total .....	\$90,000	\$75,824	\$(14,176)
<b>Library Fees .....</b>	\$114,121	\$119,579	\$5,458
Total .....	\$114,121	\$119,579	\$5,458
<b>Cost and Interest on Taxes:</b>			
Penalties and Interest — Property Tax .....	\$ 700,000	\$1,428,001	\$728,001
Penalties and Interest — Motor Vehicle Excise .....	300,000	552,897	252,897
Penalties and Interest — Sidewalk .....	—	5,000	5,000
Tax Titles — Cost and Interest .....	6,800,000	5,773,147	(1,026,853)
Penalties and Interest — Boat Excise .....	—	11	11
Total .....	\$7,800,000	\$7,759,056	\$(40,944)
<b>Payments in Lieu of Taxes:</b>			
Harvard Community Health Plan .....	\$ 200,000	\$ 195,953	\$ (4,047)
Blue Cross-Blue Shield .....	700,000	761,849	61,849
Old City Hall .....	428,542	428,543	1
Boston University .....	175,000	206,256	31,256
Urban Redevelopment Corporation — Chapter 121A Additional ..	7,168,904	7,629,485	460,581
New England School of Law .....	13,125	13,125	—
New England Deaconess Hospital .....	42,000	42,000	—
New England Medical Center Hospital .....	180,000	382,853	202,853
Digital Equipment .....	42,800	42,800	—
MassPort Authority .....	5,650,000	5,522,152	(127,848)
Miscellaneous .....	250,000	42,098	(207,902)
Trimount Foundation .....	10,000	4,126	(5,874)

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT B-5**  
**GENERAL FUND**  
**STATEMENT OF DEPARTMENTAL REVENUES (BUDGETARY BASIS)**  
**YEAR ENDED JUNE 30, 1987**

	Estimate	Actual	Favorable (Unfavorable) Variance
Commonwealth of Massachusetts — Special Tax . . . . .	\$ 20,150	\$ 36,715	\$ 16,565
Massachusetts General Hospital — In Lieu . . . . .	380,000	379,139	(861)
Hood Milk . . . . .	497,500	482,746	(14,754)
Sale of Property — Special Tax . . . . .	30,000	11,127	(18,873)
Berkeley School . . . . .	140,000	144,606	4,606
Suffolk University . . . . .	45,000	40,187	(4,813)
Northeastern University . . . . .	15,285	30,570	15,285
Harvard University . . . . .	810,000	809,931	(69)
North End Nursing Home . . . . .	56,000	56,000	—
Brigham & Women's . . . . .	150,140	204,508	54,368
Total . . . . .	\$17,004,446	\$17,466,769	\$462,323
Total City Revenue — Exhibit B-3) . . . . .	\$108,746,690	\$118,729,279	\$9,982,589
County:			
Fines and Forfeits:			
Superior Criminal . . . . .	\$ 13,000	\$ 5,776	\$ (7,224)
Supreme Judicial . . . . .	500	3,043	2,543
Municipal Criminal . . . . .	200,000	336,887	136,887
East Boston District Court . . . . .	100,000	88,219	(11,781)
Brighton District Court . . . . .	175,000	207,027	32,027
Charlestown District Court . . . . .	20,000	41,498	21,598
Dorchester District Court . . . . .	300,000	316,545	16,545
Roxbury District Court . . . . .	375,000	451,616	76,616
South Boston District Court . . . . .	100,000	141,305	41,305
West Roxbury District Court . . . . .	275,000	357,062	82,062
Total . . . . .	\$1,558,500	\$1,949,078	\$390,578
Miscellaneous:			
House of Correction — Work Release Program . . . . .	\$ 17,000	\$ 11,332	\$ (5,668)
Court House Custodian . . . . .	5,000	39,761	34,761
House of Correction — Regular . . . . .	20,000	16,332	(3,668)
Registry of Deeds — Fees . . . . .	2,140,000	2,656,444	516,444
Massachusetts Defenders' Committee . . . . .	1,000	—	(1,000)



**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT B-5**  
**GENERAL FUND**  
**STATEMENT OF DEPARTMENTAL REVENUES (BUDGETARY BASIS)**  
**YEAR ENDED JUNE 30, 1987**

	Estimate	Actual	Favorable (Unfavorable) Variance
County Jail .....	\$ 110,000	\$ 119,386	\$ 9,386
Total .....	\$2,293,000	\$2,843,255	\$550,255
Total County Revenue (Exhibit B-3) .....	\$3,851,500	\$4,792,333	\$940,833
Schools:			
Sales of Supplies and Incidentals .....	\$ 5,000	\$ 6,061	\$ 1,061
Tuition and Transportation .....	600,000	551,396	(48,604)
Instructions .....	25,000	2,768	(22,232)
Miscellaneous Receipts .....	60,000	42,714	(17,286)
Total School Committee Revenue (Exhibit B-3) .....	\$690,000	\$602,939	\$(87,061)
Health and Hospitals:			
City Hospital — Patient Service .....	\$122,647,000	\$123,265,481	\$ 618,481
Long Island Hospital — Patient Service .....	10,494,000	9,910,870	(583,130)
Mattapan Hospital — Patient Service .....	9,359,000	9,572,557	213,557
Total Health and Hospitals (Exhibit B-3) .....	\$142,500,000	\$142,748,908	\$248,908
Grand Total .....	\$255,788,190	\$266,873,459	\$11,085,269

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT C-1**  
**SPECIAL REVENUE FUND**  
**COMBINED BALANCE SHEET**  
**JUNE 30, 1987**

	Federal Revenue Sharing	School Lunch	C.D.B.G.
<b>Assets:</b>			
Cash and Other Equivalents .....	\$4,236,983	—	\$ 2,303,205
<b>Receivable:</b>			
Accounts Receivable .....	—	—	—
Due from Other Funds .....	3,847,478	\$8,882,998	10,343,006
Intergovernmental .....	—	—	—
<b>Other Assets</b> .....	—	—	—
<b>Total Assets</b> .....	8,084,461	8,882,998	12,646,211
<b>Liabilities:</b>			
Warrants and Accounts Payable .....	3,640,000	1,020,822	1,398,090
Accrued Liabilities .....	—	—	5,100,000
Due to Other Funds .....	—	—	1,156,707
<b>Total Liabilities</b> .....	3,640,000	1,020,822	7,654,797
<b>Fund Equity:</b>			
Reserved for Encumbrance			
Fund Equity .....	4,444,461	7,862,176	4,991,414
<b>Total Fund Equity</b> .....	4,444,461	7,862,176	4,991,414
<b>Total Liabilities and Fund Equity</b> .....	\$8,084,461	\$8,882,998	\$12,646,211

Note: The School Lunch, Job Training Partnership Act and ECIA Chapter 1 funds were blended in the Other Special Revenue funds in previous years. Therefore comparative data on a combining basis were not readily available for the respective funds.

## **SPECIAL REVENUE FUNDS**



**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT C-1**

**SPECIAL REVENUE FUND**

**COMBINED BALANCE SHEET**

**JUNE 30, 1987**

Urban Devlpmt. Action Grants	Job Training Partnership Act	ECIA Chapter 1	Neighborhood Development	Other Special Revenue	B.R.A.	Total Special Revenue (Exhibit A-2)
\$1,284,682	\$1,845,521	—	\$2,011,831	\$ 553,946	\$5,378,613	\$17,624,781
—	—	—	—	1,328,385	—	1,328,385
1,607,200	—	\$1,868,528	—	18,993,999	2,319,903	47,863,112
—	—	—	—	10,879,947	687,945	11,567,892
—	—	—	—	—	33,831	33,831
2,891,882	1,845,521	1,868,528	2,011,831	31,756,277	8,420,292	78,408,001
1,627,878	378,547	1,571,524	1,635,265	4,801,192	2,457,565	18,530,883
—	789,628	—	872,940	17,186,584	2,752,658	26,701,810
—	—	49,591	—	1,119,678	—	2,325,976
1,627,878	1,168,175	1,621,115	2,508,205	23,107,454	5,210,223	47,558,669
1,264,004	677,346	247,413	(496,374)	8,648,823	3,210,069	30,849,332
1,264,004	677,346	247,413	(496,374)	8,648,823	3,210,069	30,849,332
\$2,891,882	\$1,845,521	\$1,868,528	\$2,011,831	\$31,756,277	\$8,420,292	\$78,408,001

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT C-2**  
**ANNUAL REPORT**  
**SPECIAL REVENUE FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OPERATING**  
**TRANSFERS AND CHANGES IN FUND EQUITY**  
**YEAR ENDED JUNE 30, 1987**

	Federal Revenue Sharing	School Lunch	C.D.B.G.
Revenues:			
Local .....	\$ 332,890	—	\$ 146,809
Intergovernmental:			
Federal .....	6,952,979	\$9,901,814	13,270,396
State .....	—	—	—
Total Intergovernmental .....	6,952,979	9,901,814	13,270,396
Total Revenues .....	7,285,869	9,901,814	13,417,205
Expenditures:			
Current Operations:			
City			
General Government .....	—	—	—
Public Safety .....	8,640,000	—	—
Public Works .....	—	—	—
Libraries .....	—	—	—
Parks and Recreation .....	—	—	—
Community Development .....	—	—	12,456,374
Human Services .....	—	—	421,053
Schools .....	—	10,029,441	—
Retirement Costs .....	—	—	—
Miscellaneous .....	—	—	—
Capital Outlays .....	—	—	347,980
Interfund Transfers .....	—	—	—
Total Expenditures .....	8,640,000	10,029,441	13,225,407
Excess (deficiency) of Revenues over Expenditures and Transfers .....	(1,354,131)	(127,627)	191,798
Operating Transfers .....	—	—	—
Total other financing sources (uses), net .....	—	—	—
Excess (deficiency) of revenues and other sources over expenditures .....	(1,354,131)	(127,627)	191,798
Fund Equity, July 1, 1986 .....	5,798,592	7,989,803	4,799,616
Fund Equity, June 30, 1987			
Per Audited Fin'l Statements (Ex. A-2) .....	\$4,444,461	\$ 7,862,176	\$ 4,991,414

Note: The School Lunch, Job Training Partnership Act and ECIA Chapter 1 funds were blended in the Other Special Revenue funds in previous years. Therefore comparative data on a combining basis were not readily available for the respective funds.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT C-2**

**ANNUAL REPORT**

**SPECIAL REVENUE FUND**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OPERATING  
TRANSFERS AND CHANGES IN FUND EQUITY**

**YEAR ENDED JUNE 30, 1987**

Urban Devlpmt. Action Grants	Job Training Partnership Act	ECIA Chapter 1	Neighborhood Development	Other Special Revenue	Total B.R.A.	Total Special Revenue
—	—	—	—	\$ 8,877,246	\$1,625,138	\$ 10,982,083
\$2,851,412	\$6,760,512	\$14,652,998	\$1,135,949	9,795,201	59,749	65,381,010
—	—	—	—	22,163,232	—	22,163,232
2,851,412	6,760,512	14,652,998	1,135,949	31,958,433	59,749	87,544,242
2,851,412	6,760,512	14,652,998	1,135,949	40,835,679	1,684,887	98,526,325
—	—	—	—	1,866,340	—	1,866,340
—	—	—	—	6,792,105	—	15,432,105
—	—	—	—	232,410	—	232,410
—	—	—	—	1,107,073	—	1,107,073
—	—	—	—	519,160	—	519,160
1,587,408	—	—	1,635,265	178,071	2,404,251	18,261,369
—	6,083,166	—	—	8,511,547	—	33,277,135
—	—	14,405,585	—	24,703,210	—	49,138,236
—	—	—	—	—	204,000	204,000
—	—	—	—	2,125,519	—	2,125,519
—	—	—	—	1,781,479	—	2,129,459
—	—	—	—	—	—	—
1,587,408	6,083,166	14,405,585	1,635,265	47,816,914	2,608,251	106,031,437
1,264,004	677,346	247,413	(499,316)	(6,981,235)	(923,364)	(7,505,112)
—	—	—	—	(1,714,954)	1,321,123	(393,831)
—	—	—	—	(1,714,954)	1,321,123	(393,831)
1,264,004	677,346	247,413	(499,316)	(8,696,189)	397,759	(7,898,943)
—	—	—	2,942	17,345,013	2,812,310	38,748,276
\$1,264,004	\$ 677,346	\$ 247,413	\$(496,374)	\$ 8,648,824	\$3,210,069	\$ 30,849,333

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT C-3**  
**SPECIAL REVENUE FUND**  
**COMPARISON WITH FY 1986**  
**BALANCE SHEET**  
**JUNE 30, 1987**

	1987 Federal Revenue Sharing	1986 Federal Revenue Sharing
Assets:		
Cash and Other Equivalents .....	\$4,236,983	\$1,951,114
Receivable:		
Accounts Receivable .....		
Due from Other Funds .....	3,847,478	—
Intergovernmental .....	—	3,847,478
Other Assets .....	—	—
Total Assets .....	<u>8,084,461</u>	<u>5,798,592</u>
Liabilities:		
Warrants and Accounts Payable .....	3,640,000	—
Accrued Liabilities .....	—	—
Due to Other Funds .....	—	—
Total Liabilities .....	<u>3,640,000</u>	<u>—</u>
Fund Equity:		
Reserved for Encumbrance .....	—	—
Fund Equity .....	4,444,461	5,798,592
Total Fund Equity .....	<u>4,444,461</u>	<u>5,798,592</u>
Total Liabilities and Fund Equity .....	<u>\$8,084,461</u>	<u>\$5,798,592</u>

Note: The School Lunch, Job Training Partnership Act and ECIA Chapter 1 funds were blended in the Other Special Revenue funds in previous years. Therefore comparative data on a combining basis were not readily available for the respective funds.



**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT C-4**  
**SPECIAL REVENUE FUND**  
**COMPARISON WITH FY 1986**  
**STATEMENT OF REVENUES, EXPENDITURES, OPERATING**  
**TRANSFERS AND CHANGES IN FUND EQUITY**  
**YEAR ENDED JUNE 30, 1987**

	1987 Federal Revenue Sharing	1986 Federal Revenue Sharing
Revenues:		
Local .....	\$ 332,890	—
Intergovernmental:		
Federal .....	6,952,979	\$18,130,644
State .....	—	—
Total Intergovernmental .....	6,952,979	18,130,644
Total Revenues .....	7,285,869	18,130,644
Expenditures:		
Current Operations:		
City		
General Government .....	—	—
Public Safety .....	8,640,000	—
Public Works .....	—	—
Libraries .....	—	—
Parks and Recreation .....	—	—
Community Development .....	—	—
Human Services .....	—	—
Schools .....	—	—
Retirement Costs .....	—	—
Miscellaneous .....	—	—
Capital Outlays .....	—	—
Interfund Transfers .....	—	18,385,000
Total Expenditures .....	8,640,000	18,385,000
Excess (deficiency) of Revenues		
Over Expenditures and Transfers .....	(1,354,131)	(254,356)
Operating transfers .....	—	—
Total other financing sources (uses), net .....	—	—
Excess (deficiency) of revenues and other		
sources over expenditures and others .....	(1,354,131)	(254,356)
Fund Equity, July 1, 1986 .....	5,798,592	2,205,470
Policy Adjustments to conform Detail with		
Audited Financial Statements .....	—	3,847,478
Fund Equity, June 30, 1987		
Per Audited Fin'l Statements (Ex. A-2) .....	\$4,444,461	\$ 5,798,592

Note: The School Lunch, Job Training Partnership Act and ECIA Chapter 1 funds were blended in the Other Special Revenue funds in previous years. Therefore comparative data on a combining basis were not readily available for the respective funds.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT C-5**  
**SPECIAL REVENUE FUND**  
**COMPARISON WITH FY 1986**  
**BALANCE SHEET**  
**JUNE 30, 1987**

	1987 C.D.B.G.	1986 C.D.B.G.
Assets:		
Cash and Other Equivalents .....	\$ 2,303,205	\$2,860,162
Receivable:		
Accounts Receivable		
Due from Other Funds .....	10,343,006	163,268
Intergovernmental .....	—	3,634,844
Other Assets .....	—	—
Total Assets .....	<u>12,646,211</u>	<u>6,658,274</u>
Liabilities:		
Warrants and Accounts Payable .....	1,398,090	1,837,216
Accrued Liabilities .....	5,100,000	—
Due to Other Funds .....	1,156,707	21,442
Total Liabilities .....	<u>7,654,797</u>	<u>1,858,658</u>
Fund Equity:		
Reserved for Encumbrance .....	—	—
Fund Equity .....	4,991,414	4,799,616
Total Fund Equity .....	<u>4,991,414</u>	<u>4,799,616</u>
Total Liabilities and Fund Equity .....	<u>\$12,646,211</u>	<u>\$6,658,274</u>

Note: The School Lunch, Job Training Partnership Act and ECIA Chapter 1 funds were blended in the Other Special Revenue funds in previous years. Therefore comparative data on a combining basis were not readily available for the respective funds.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT C-6**  
**SPECIAL REVENUE FUND**  
**COMPARISON WITH FY 1986**  
**STATEMENT OF REVENUES, EXPENDITURES, OPERATING**  
**TRANSFERS AND CHANGES IN FUND EQUITY**  
**YEAR ENDED JUNE 30, 1987**

	1987 C.D.B.G.	1986 C.D.B.G.
<b>Revenues:</b>		
Local .....	\$ 146,809	—
Intergovernmental:		
Federal .....	13,270,396	\$34,689,811
State .....	—	—
Total Intergovernmental .....	13,270,396	34,689,811
Total Revenues .....	13,417,205	34,689,811
<b>Expenditures:</b>		
Current Operations:		
City		
General Government .....	—	—
Public Safety .....	—	—
Public Works .....	—	—
Libraries .....	—	—
Parks and Recreation .....	—	—
Community Development .....	12,456,374	28,802,264
Human Services .....	421,053	—
Schools .....	—	—
Retirement Costs .....	—	—
Miscellaneous .....	—	—
Capital Outlays .....	347,980	—
Interfund Transfers .....	—	—
Total Expenditures .....	13,225,407	28,802,264
Excess (deficiency) of Revenues		
Over Expenditures and Transfers .....	191,798	5,887,547
Operating transfers .....	—	—
Total other financing sources (uses), net .....	—	—
Excess (deficiency) of revenues and other sources over expenditures and others .....	191,798	5,887,547
Fund Equity, July 1, 1986 .....	4,799,616	(3,128,871)
Policy Adjustments to conform Detail with Audited Financial Statements .....	—	2,040,940
Fund Equity, June 30, 1987		
Per Audited Fin'l Statements (Ex. A-2) .....	\$ 4,991,414	\$ 4,799,616

Note: The School Lunch, Job Training Partnership Act and ECIA Chapter 1 funds were blended in the Other Special Revenue funds in previous years. Therefore comparative data on a combining basis were not readily available for the respective funds.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT C-7**

**SPECIAL REVENUE FUND  
COMPARISON WITH FY 1986  
BALANCE SHEET  
JUNE 30, 1987**

	1987 Neighborhood Development	1986 Neighborhood Development
<b>Assets:</b>		
Cash and Other Equivalents . . . . .	\$2,011,831	—
<b>Receivable:</b>		
Accounts Receivable . . . . .	—	—
Due from Other Funds . . . . .	—	\$3,910
Intergovernmental . . . . .	—	—
<b>Other Assets</b>	—	—
Total Assets . . . . .	<u>2,011,831</u>	<u>3,910</u>
<b>Liabilities:</b>		
Warrants and Accounts Payable . . . . .	1,635,265	—
Accrued Liabilities . . . . .	872,940	—
Due to Other Funds . . . . .	—	968
Total Liabilities . . . . .	<u>2,508,205</u>	<u>968</u>
<b>Fund Equity:</b>		
Reserved for Encumbrance . . . . .	—	—
Fund Equity . . . . .	(496,374)	2,942
Total Fund Equity . . . . .	<u>(496,374)</u>	<u>2,942</u>
Total Liabilities and Fund Equity . . . . .	<u>\$2,011,831</u>	<u>\$3,910</u>

Note: The School Lunch, Job Training Partnership Act and ECIA Chapter 1 funds were blended in the Other Special Revenue funds in previous years. Therefore comparative data on a combining basis were not readily available for the respective funds.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT C-8**  
**SPECIAL REVENUE FUND**  
**COMPARISON WITH FY 1986**  
**STATEMENT OF REVENUES, EXPENDITURES, OPERATING**  
**TRANSFERS AND CHANGES IN FUND EQUITY**  
**YEAR ENDED JUNE 30, 1987**

	1987 Neighborhood Development	1986 Neighborhood Development
<b>Revenues:</b>		
Local		
Intergovernmental:		
Federal .....	\$1,135,949	—
State .....	—	—
Total Intergovernmental .....	1,135,949	—
Total Revenues .....	1,135,949	—
<b>Expenditures:</b>		
Current Operations:		
City		
General Government .....	—	—
Public Safety .....	—	—
Public Works .....	—	—
Libraries .....	—	—
Parks and Recreation .....	—	—
Community Development .....	1,635,265	—
Human Services .....	—	—
Schools .....	—	—
Retirement Costs .....	—	—
Miscellaneous .....	—	—
Capital Outlays .....	—	—
Interfund Transfers .....	—	—
Total Expenditures .....	1,635,265	—
Excess (deficiency) of Revenues		
Over Expenditures and Transfers .....	(499,316)	—
Operating transfers .....	—	—
Total other financing sources (uses), net .....	—	—
Excess (deficiency) of revenues and other		
sources over expenditures and others .....	(499,316)	—
Fund Equity, July 1, 1986 .....	2,942	\$2,942
Policy Adjustments to conform Detail with		
Audited Financial Statements .....	—	—
Fund Equity, June 30, 1987		
Per Audited Fin'l Statements (Ex. A-2) .....	\$(496,374)	\$2,942

Note: The School Lunch, Job Training Partnership Act and ECIA Chapter 1 funds were blended in the Other Special Revenue funds in previous years. Therefore comparative data on a combining basis were not readily available for the respective funds.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT D-1**  
**DEBT SERVICE FUND, BALANCE SHEET**  
**June 30, 1987**  
**(with comparative figures for June 30, 1986)**

	1987	1986
<b>Assets</b>		
Cash and short-term investments (Note 4)	\$ 39,353	\$27,354
Other investments	65,253	7,868
Receivables (net, where applicable, of allowances for estimated collectible amounts):		
Due from other funds	4,101	3,249
Total assets	<u>\$108,707</u>	<u>\$38,471</u>
<b>Liabilities:</b>		
Due to other funds		404
Matured interest and bonds payable	3,097	3,328
Total liabilities	<u>3,097</u>	<u>3,732</u>
<b>Fund Equity:</b>		
Other fund equity: Reserved for:		
Debt service	105,610	34,739
Total fund equity	105,610	34,739
Total liabilities and fund equity	<u>\$108,707</u>	<u>\$38,471</u>

See accompanying notes of general purpose financial statements in section A.

## **DEBT SERVICE FUNDS**





**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT D-2**

**DEBT SERVICE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 1987**

**(with comparative figures for June 30, 1986)**

	1987	1986
<b>Revenues:</b>		
Local:		
Excises (Note 13) .....	\$ 17,137	\$14,293
Investment income .....	1,686	1,593
Total local revenues .....	18,823	15,886
Intergovernmental:		
Other .....	1,318	2,442
Total intergovernmental revenues .....	1,318	2,442
Total revenues .....	20,141	18,328
<b>Expenditures:</b>		
Current operations:		
Debt service		
Principal .....	48,624	47,072
Interest .....	37,357	35,799
Total expenditures .....	85,981	82,871
Excess (deficiency) of revenues over expenditures .....	(65,840)	(64,543)
<b>Other financing sources (uses):</b>		
Proceeds from advance refunding of general obligation bonds (Note 13) .....	57,425	
Operating transfers in (out), net (Note 15) .....	79,286	74,733
Total other financing sources (uses), net .....	136,711	74,733
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	70,871	10,190
Fund equity, beginning of year .....	34,739	24,549
Fund equity, end of year .....	\$105,610	\$34,739

See accompanying notes of general purpose financial statements in section A.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT H-1**  
**COMBINED SCHEDULE OF BONDS PAYABLE**  
**at year ended JUNE 30, 1987**

Serial Bonds Issued	Original Amount Issued	Interest Rate	Payable to Last Pymt. Date of:
August 15, 1986 (Note A) .....	\$58,525,000	4.4 - 7.375%	8/1/2004
April 15, 1986 .....	65,000,000	4.4 - 7.5%	5/1/2006
June 15, 1985 (Note B) .....	2,999,963	7.5%	6/15/1988
May 1, 1985 .....	65,000,000	7.5 - 10.125%	1/1/1999
October 1, 1984 (Note B) .....	1,999,891	8.25%	10/1/1987
May 1, 1984 .....	55,000,000	8.6 - 10.75%	1/1/1996
September 1, 1983 .....	30,000,000	9.25 - 10.50%	8/1/1995
January 1, 1983 .....	45,000,000	6.25 - 9.5%	7/1/1992
June 1, 1980 .....	30,000,000	7.75 - 8.5%	6/1/2000
March 1, 1980 .....	25,000,000	10.5%	3/1/1992
May 1, 1979 .....	55,000,000	6.5 - 8.5%	5/1/1999
April 1, 1978 .....	25,000,000	5.8 - 7.5%	4/1/1998
November 1, 1977 .....	40,000,000	6.0 - 7.75%	11/1/1997
March 1, 1977 .....	40,000,000	6.5 - 10.0%	3/1/1997
October 1, 1976 .....	35,000,000	7.1 - 10.0%	10/1/1995
March 1, 1976 .....	85,000,000	8.0 - 10.0%	3/1/1996
April 1, 1975 .....	39,980,000	7.3%	4/1/1995
June 1, 1974 .....	43,110,000	6.4%	6/1/1994
September 1, 1973 .....	27,000,000	5.8%	9/1/1993
December 1, 1972 .....	39,000,000	5.1%	12/1/1992
June 1, 1972 .....	45,000,000	5.3%	6/1/1992
December 1, 1971 .....	52,180,000	5.3%	12/1/1991
August 1, 1971 .....	25,000,000	6.5%	8/1/1991
December 1, 1970 .....	30,000,000	5.9%	12/1/1990
August 1, 1970 .....	20,000,000	6.5%	8/1/1990
December 1, 1969 .....	24,000,000	6.9%	12/1/1999
August 1, 1969 .....	15,000,000	6.0 - 6.25%	8/1/1999
December 1, 1968 .....	17,780,000	3.25 - 4.75%	12/1/1998
August 1, 1968 .....	12,150,000	4.0 - 4.5%	8/1/1993
December 1, 1967 .....	23,020,000	4.5%	12/1/1997
August 1, 1967 .....	9,180,000	4.25 - 4.5%	8/1/1997
November 1, 1966 .....	18,500,000	4.25 - 4.5%	11/1/1996
November 1, 1965 .....	12,400,000	3.25 - 3.75%	11/1/1995
December 1, 1964 .....	13,075,000	3.25 - 3.75%	12/1/1994
June 1, 1964 .....	10,640,000	3.5%	6/1/1994
Rapid Transit Debt .....		2.25 - 3.0%	

NOTE A. The "Refunding Loan" of August 15, 1986, refunded certain amounts from four previous Bond Issues:

March 1, 1980:	\$ 5,995,000
September 1, 1983:	\$ 7,595,000
May 1, 1984:	\$16,150,000
May 1, 1985:	\$18,135,000

NOTE B. These figures assume that all "Mini-Bonds" are held to maturity on October 1, 1987, and June 15, 1988, respectively.

NOTE C. Includes \$80,000 of Rapid Transit Term Bonds held by the Board of Commissioners of Sinking Funds.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT H-1**  
**COMBINED SCHEDULE OF BONDS PAYABLE**  
**at year ended JUNE 30, 1987**

General Purpose	Economic Devel. Indus. Corp.	Schools	Parking Facilities	Urban Redevelopment	Water & Sewer	TOTAL
\$29,558,945	\$2,261,540	\$12,328,451	\$ 213,929	\$14,162,133		\$58,525,000
49,180,000	4,440,000	4,005,000		7,035,000		64,660,000
2,999,963						2,999,963
24,705,000	820,000	3,620,000		12,330,000		41,475,000
1,999,891						1,999,891
24,005,000	810,000	225,000	235,000	3,005,000		28,280,000
7,690,000		4,815,000		3,715,000		16,220,000
39,800,000						39,800,000
5,120,000	325,000		7,475,000	860,000		13,780,000
2,370,000	600,000	2,625,000				5,595,000
3,760,000	640,000	13,700,000	3,000,000	6,450,000		27,550,000
2,270,000		8,490,000	385,000	880,000		12,025,000
2,310,000		13,800,000	1,020,000	3,835,000		20,965,000
1,850,000		11,000,000		3,400,000	\$ 150,000	16,400,000
810,000		10,890,000		3,070,000	550,000	15,320,000
4,740,000		20,550,000		5,680,000	545,000	31,515,000
8,040,000		4,720,000		2,480,000	440,000	15,680,000
4,760,000		5,515,000		2,785,000	525,000	13,585,000
2,800,000		3,500,000		2,275,000		8,575,000
3,810,000		4,500,000		1,080,000	500,000	9,890,000
4,350,000		5,875,000				10,225,000
2,490,000		5,125,000	500,000	1,625,000		9,740,000
3,000,000		2,500,000		750,000		6,250,000
1,220,000		1,500,000	120,000	980,000	340,000	4,160,000
1,600,000		1,000,000		900,000	100,000	3,600,000
1,085,000		1,430,000	75,000	1,755,000	665,000	5,010,000
1,840,000		2,145,000		1,600,000		5,585,000
820,000		370,000	50,000	980,000	50,000	2,270,000
150,000			400,000	840,000	50,000	1,440,000
1,540,000		450,000	75,000	895,000	30,000	2,990,000
1,815,000		110,000				1,925,000
1,300,000						1,300,000
1,215,000						1,215,000
200,000						200,000
2,475,000						2,475,000
<b>\$247,678,800</b>	<b>\$9,896,540</b>	<b>\$144,788,451</b>	<b>\$13,548,929</b>	<b>\$83,367,133</b>	<b>\$3,945,000</b>	<b>\$503,224,855</b>
					(Note C)	7,608,500
						<u>\$510,833,355</u>

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT H-2**  
**GENERAL OBLIGATION BOND AND INTEREST REDEMPTION BY FISCAL YEAR**  
**as of June 30, 1987**

Fiscal Year	Payable from Tax Levies (Incl. Water and Sewer) (Note A)			Rapid Transit (Rap. Tran. FY runs Aug. - July) (Note B)		
	Principal	Interest	Total	Principal	Interest	Total
1988 .....	\$50,839,855	\$34,427,439	\$85,267,295	\$115,000	\$204,997	\$319,997
1989 .....	47,885,000	29,700,758	77,585,758	0	203,478	203,478
1990 .....	46,120,000	26,326,740	72,446,740	0	203,478	203,478
1991 .....	44,645,000	23,086,890	67,731,890	83,500	202,539	286,039
1992 .....	42,660,000	19,984,057	62,644,057	1,860,000	201,375	2,061,375
1993 .....	37,350,000	16,976,893	54,326,893	1,280,000	158,325	1,438,325
1994 .....	34,705,000	14,243,590	48,948,590	4,250,000	99,512	4,349,512
1995 .....	29,300,000	11,706,147	41,006,147	0	450	450
1996 .....	24,855,000	9,431,193	34,286,193	20,000	225	20,225
1997 .....	19,640,000	7,500,126	27,140,126			
1998 .....	17,270,000	6,083,608	23,353,608			
1999 .....	12,940,000	4,879,951	17,819,951			
2000 .....	11,190,000	3,799,483	14,989,483			
2001 .....	9,475,000	3,009,275	12,484,275			
2002 .....	9,080,000	2,324,500	11,404,500			
2003 .....	8,915,000	1,661,225	10,576,225			
2004 .....	8,260,000	1,024,565	9,284,565			
2005 .....	5,650,000	507,750	6,157,750			
2006 .....	2,645,000	198,375	2,843,375			
	<b>\$463,424,855</b>	<b>\$216,872,571</b>	<b>\$680,297,427</b>	<b>\$7,608,500</b>	<b>\$1,274,381</b>	<b>\$8,882,881</b>

NOTE A. Principal and interest on Water and Sewer debt amounts to \$3,945,000 and \$1,098,850, respectively, and are reimbursable from the Boston Water and Sewer Commission.

NOTE B. Rapid Transit Debt includes principal and interest of \$80,000 and \$6,525, respectively, on Term Bonds held by the Board of Commissioners of Sinking Funds.

NOTE C. The 1982 Funding Loan Act makes several sources available for the payment of the Funding Loan Bonds, to the extent of their collections. As of June 30, 1987, approximately \$50.5 million has been collected from the several excises dedicated by the Act plus related interest earned in the amounts invested until needed.

\* F'88 includes the Mini-Bond issues of:

	Principal	Interest	Total
10/1/84	\$1,999,891	\$ 548,908	\$2,548,800
6/15/85	2,999,963	741,536	3,741,500
	<b>\$4,999,855</b>	<b>\$1,290,444</b>	<b>\$6,290,300</b>

## **CAPITAL PROJECT FUNDS**



**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT H-2**  
**GENERAL OBLIGATION BOND AND INTEREST REDEMPTION BY FISCAL YEAR**  
**as of June 30, 1987**

Funding Loan Act of 1982  
(Note C)

Grand Total

Principal	Interest	Total	Fiscal Year	Principal	Interest	TOTAL
\$ 4,300,000	\$ 3,389,750	\$ 7,689,750	1988	\$ 55,254,855	\$ 38,022,186	\$93,277,042
5,300,000	3,016,500	8,316,500	1989	53,185,000	32,920,737	86,105,737
6,200,000	2,553,250	8,773,250	1990	52,320,000	29,063,468	81,383,468
7,200,000	1,929,000	9,129,000	1991	51,928,500	25,218,429	77,146,929
8,250,000	1,204,125	9,454,125	1992	52,770,000	21,389,557	74,159,557
8,550,000	406,125	8,956,125	1993	47,180,000	17,541,343	64,721,343
			1994	38,955,000	14,343,102	53,298,102
			1995	29,300,000	11,706,597	41,006,597
			1996	24,875,000	9,431,418	34,306,418
			1997	19,640,000	7,500,126	27,140,126
			1998	17,270,000	6,083,608	23,353,608
			1999	12,940,000	4,879,951	17,819,951
			2000	11,190,000	3,799,483	14,989,483
			2001	9,475,000	3,009,275	12,484,275
			2002	9,080,000	2,324,500	11,404,500
			2003	8,915,000	1,661,225	10,576,225
			2004	8,260,000	1,024,565	9,284,565
			2005	5,650,000	507,750	6,157,750
			2006	2,645,000	198,375	2,843,375
<u>\$39,800,000</u>	<u>\$12,478,750</u>	<u>\$52,278,750</u>		<u>\$510,833,355</u>	<u>\$230,625,703</u>	<u>\$741,459,058</u>

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT E-1**

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
YEAR ENDED JUNE 30, 1987**

	Departmental Equipment	School Projects	Public Buildings
<b>ASSETS</b>			
Cash and short-term investments .....	\$2,448,495 70	\$20,300,501 18	\$46,230,552 42
Receivables (net, where applicable, of allowances for estimated uncollectible amounts):			
Intergovernmental .....	—	—	—
Accounts .....	—	—	—
Due from other funds .....	—	—	—
Notes .....	—	—	—
Other Assets .....	—	—	—
Total Assets .....	\$2,228,495 70	\$20,300,501 18	\$46,230,552 42
<b>LIABILITIES</b>			
Warrants and accounts payable .....	\$ 43	\$ 220,032 89	\$ 827,142 21
Accrued liabilities:			
Judgments and claims .....	—	—	—
Other .....	—	—	—
Intergovernmental .....	—	—	—
Due to other funds .....	—	—	—
Demand note payable .....	—	—	—
Total Liabilities .....	43	220,032 89	827,142 21
<b>FUND EQUITY</b>			
Reserved for:			
Encumbrances .....	2,168,602 08	2,844,679 24	26,907,753 91
Continuing appropriations .....	—	—	—
Fund balance .....	279,893 19	17,235,789 05	18,495,656 30
Unreserved:			
Designated .....	—	—	—
Total fund equity .....	2,448,495 27	20,080,468 29	45,403,410 21
Total Liabilities and Fund Equity .....	\$2,448,495 70	\$20,300,501 18	\$46,230,552 42

Combining Statements for Capital Projects for the Fiscal Year Ended June 30, 1986,  
were not available, therefore, no comparative data is presented here.



**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT E-1**

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
YEAR ENDED JUNE 30, 1987**

Hospital Department	Urban and Economic Development	Parks and Recreation	Parking Facilities
\$7,658,020 77	\$14,533,941 70	\$7,080,135 62	\$488,954 53
—	—	—	—
—	—	—	—
—	—	(15,060 00)	—
—	—	—	—
—	—	—	—
\$7,658,020 77	\$14,533,941 70	\$7,065,075 62	\$488,954,53
\$ 9,278 16	\$ 425,000 00	\$ 305,475 23	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
9,278 16	425,000 00	305,475 23	—
1,783,625 18	4,245,519 00	4,074,227 45	—
—	—	—	—
5,865,117 43	9,863,422 70	2,685,372 94	488,954 53
—	—	—	—
7,648,742 61	14,108,941 70	6,759,600 39	488,954 53
\$7,658,020 77	\$14,533,941 70	\$7,065,075 62	\$488,954 53

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT E-1**

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
YEAR ENDED JUNE 30, 1987**

	Public Works	Chapter 90 Public Ways	Trust Fund
<b>ASSETS</b>			
Cash and short-term investments .....	\$19,170,854 85	\$2,823,154 57	\$121,338 84
Receivables (net, where applicable, of allowances for estimated uncollectible amounts):			
Intergovernmental .....	—	—	—
Accounts .....	—	—	—
Due from other funds .....	—	—	—
Notes .....	—	—	—
Other Assets .....	—	—	—
Total Assets .....	\$19,170,854 85	\$2,823 154 57	\$121,338 84
<b>LIABILITIES</b>			
Warrants and accounts payable .....	\$1,197,570 16	\$ 93,702 05	\$ 40,140 66
Accrued liabilities:			
Judgments and claims .....	—	—	—
Other .....	—	—	—
Intergovernmental .....	—	—	—
Due to other funds .....	—	—	—
Demand note payable .....	—	—	—
Total Liabilities .....	1,197,570 16	93,702 05	40,140 66
<b>FUND EQUITY</b>			
Reserved for:			
Encumbrances .....	10,664,127 99	3,536,832 31	47,500 00
Continuing appropriations .....	—	—	—
Fund balance .....	7,309,156 70	(807,379 79)	33,698 18
Unreserved:			
Designated .....	—	—	—
Total fund equity .....	17,973,284 69	2,729,452 52	81,198 18
Total Liabilities and Fund Equity .....	\$19,170,854 85	\$2,823,154 57	\$121,338,84

Combining Statements for Capital Projects for the Fiscal Year Ended June 30, 1986,  
were not available, therefore, no comparative data is presented here.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT E-1**

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
YEAR ENDED JUNE 30, 1987**

Other Capital Projects	Boston Redevelopment Authority	Adjustments to Conform Detail with Audited Financial Statements	Total 1987
\$18,704,921 84	\$21,118,531 00	\$ (856,288 50)	\$159,823,114 52
—	6,274,091 00	1,492,283 58	7,766,374 58
—	163,125 00	—	163,125 00
1,116,453 30	—	8,335 84	1,109,729 14
—	3,713,800 00	—	3,713,800 00
—	110,000 00	—	110,000 00
\$19,821,375 14	\$31,379,547 00	\$ 644,330 92	\$172,686,143 24
\$ 278,207 37		\$1,699,120 87	\$ 5,095,670 03
—	\$ 2,114,900 00	—	2,114,900 00
—	6,523,015 00	—	6,523,015 00
112,701 00	—	—	112,701 00
21,373,925 02	2,109,501 00	127,929 50	23,611,355 52
—	—	5,871,649 51	5,871,649 51
21,764 833 39	10,747,416 00	7,698,699 88	43,329,291 06
—	—	(2,555,867 16)	53,717,000 00
—	—	2,007,000 00	2,007,000 00
(4,832,031 56)	—	(56,617,649 67)	00
2,888,573 31	20,632,131 00	50,112,147 87	73,632,852 18
(1,943,458 25)	20,632,131 00	(7,054,368 96)	129,356,852 18
\$19,821,375 14	\$31,379,547 00	\$ 644,330 92	\$172,686,143 24

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT E-2**  
**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENDITURES, OPERATING TRANSFERS**  
**AND CHANGES IN FUND EQUITY**  
**YEAR ENDED JUNE 30, 1987**

	Departmental Equipment	School Projects	Public Buildings
<b>REVENUES</b>			
Local .....	—	—	\$ 507,232 00
Investment income .....	—	—	—
Intergovernmental:			
Federal .....	—	—	—
State .....	—	—	—
Total revenues .....	0 00	0 00	507,232 00
<b>EXPENDITURES</b>			
Retirement Costs .....	—	—	—
Miscellaneous .....	—	—	—
Debt Service .....	—	—	—
Capital outlays .....	\$3,325,742 00	\$4,884,099 00	11,344,565 00
Total Expenditures .....	3,325,742 00	4,884,099 00	11,344,565 00
Excess (deficiency) of revenues over expendi- tures .....	(3,325,742 00)	(4,884,099 00)	(10,837,333 00)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in (out), net .....	—	—	—
Total other financing sources (uses) net .....	0 00	0 00	0 00
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	(3,325,742 00)	(4,884,099 00)	(10,837,333 00)
Fund equity, beginning of year .....	5,774,237 27	24,964,567 29	56,240,743 21
Fund equity, end of year .....	\$2,448,495 27	\$20,080,468 29	\$45,403,410 21

Combining Statements for Capital Projects for the Fiscal Year Ended June 30, 1986,  
were not available, therefore, no comparative data is presented here.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT E-2**

**CAPITAL PROJECTS FUNDS**

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, OPERATING TRANSFERS  
AND CHANGES IN FUND EQUITY**

**YEAR ENDED JUNE 30, 1987**

Hospital Department	Urban and Economic Development	Parks and Recreation	Parking Facilities
—	—	\$ 144,371 00	\$200,000 00
—	—	—	—
—	—	—	—
—	—	277,346 00	—
0 00	0 00	421,717 00	200,000 00
—	—	—	—
—	—	—	—
—	—	—	—
\$1,134,490 00	\$ 5,862,483 00	2,773,771 00	—
1,134,490 00	5,862,483 00	2,773,771 00	0 00
(1,134,490 00)	(5,862,483 00)	(2,352,054 00)	200,000 00
(1,746,488 00)	—	—	—
(1,746,488 00)	0 00	0 00	0 00
(2,880,978 00)	(5,862,483 00)	(2,352,054 00)	200,00 00
10,529,720 61	19,971,424 70	9,111,654 39	288,954 53
\$ 7,648,742 61	\$14,108,941 70	\$6,759,600 39	\$488,954 53

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT E-2**  
**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENDITURES, OPERATING TRANSFERS**  
**AND CHANGES IN FUND EQUITY**  
**YEAR ENDED JUNE 30, 1987**

	Public Works	Chapter 90 Public Ways	Trust Fund
<b>REVENUES</b>			
Local .....	\$ 41,172 00	—	\$ 68,466 00
Investment income .....	—	—	—
Intergovernmental:			
Federal .....	—	—	—
State .....	219,093 00	\$3,242,610 00	—
Total revenues .....	260,265 00	3,242,610 00	68,466 00
<b>EXPENDITURES</b>			
Retirement Costs .....	—	—	—
Miscellaneous .....	—	—	—
Debt Service .....	—	—	—
Capital outlays .....	7,827,275 00	2,828,684 00	113,138 00
Total Expenditures .....	7,827,275 00	2,828,684 00	113,138 00
Excess (deficiency) of revenues over expendi- tures .....	(7,567,010 00)	413,926 00	(44,672 00)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in (out), net .....	—	—	—
Total other financing sources (uses) net .....	0 00	0 00	0 00
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	(7,567,010 00)	413,926 00	(44,672 00)
Fund equity, beginning of year .....	25,540,294 69	2,315,526 52	125,870 18
Fund equity, end of year .....	\$17,973,284 69	\$2,729,452 52	\$ 81,198 18

Combining Statements for Capital Projects for the Fiscal Year Ended June 30, 1986,  
were not available, therefore, no comparative data is presented here.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT E-2**

**CAPITAL PROJECTS FUNDS**

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, OPERATING TRANSFERS  
AND CHANGES IN FUND EQUITY**

**YEAR ENDED JUNE 30, 1987**

Other Capital Projects	Boston Redevelopment Authority	Adjustments to Conform Detail with Audited Financial Statements	Total 1987
—	\$13,349,759 00	—	\$ 14,311,000 00
—	1,504,389 00	—	1,504,398 00
—	469,951 00	—	469,951 00
—	—	—	3,739,049 00
0 00	15,324,099 00	0 00	20,024,389 00
—	1,361,210 00	—	1,361,210 00
—	14,660,951 00	—	14,660,951 00
\$432,989 00	—	—	432,989 00
—	1,807,784 00	\$(1,720,170 00)	40,181,861 00
432,989 00	17,829,945 00	(1,720,170 00)	56,637,011 00
(432,989 00)	(2,505,846 00)	1,720,170 00	(36,612,622 00)
—	2,545,134 00	—	798,646 00
0 00	2,545,134 00	0 00	798,646 00
(432,989 00)	39,288 00	1,720,170 00	(35,813,976 00)
(1,510,469 25)	20,593,384 00	(8,774,538 96)	165,171,369 18
\$(1,943,458 25)	\$20,632,672 00	\$(7,054,368 96)	\$129,357,393 18

# CITY OF BOSTON AND COUNTY OF SUFFOLK

## EXHIBIT F-1 ENTERPRISE FUNDS BALANCE SHEET

JUNE 30, 1987

(with comparative figures for June 30, 1986)

	Proprietary Fund Types					Eliminations	1987	1986
	Trustees of Health and Hospitals			E.D.I.C.				
	Health and Hospitals	Hospitals						
Assets								
Cash and short-term investments (Note 4)	\$ 3,658	\$5,349	\$ 1,686	—	\$ 10,693	\$ 8,010		
Receivables (net, where applicable, of allowances for estimated uncollectible amounts):								
Intergovernmental	—	—	2,265	—	2,265	4,984		
Accounts (Note 6)	34,689	3,797	974	—	39,460	39,918		
Due from other funds (Note 15)	56,343	—	—	—	56,343	71,951		
Loans (Note 7)			17,225		17,225	17,379		
Due from Trustees	2,878	—	—	\$(2,878)	—	—		
Inventories (Note 8)	1,468	—	—	—	1,468	1,504		
Other assets	—	—	3,912	—	3,912	4,004		
Property, plant and equipment (Net of accumulated depreciation) (Note 10)	73,970	223	14,851	—	89,044	90,649		
Total assets	173,006	9,369	40,913	(2,878)	220,410	238,399		
Liabilities								
Warrants and accounts payable	14,141	789	1,675	—	16,605	10,850		
Accrued liabilities:								
Judgments and claims	2,581	—	—	—	2,581	2,581		
Sick and vacation (Note 12)	4,073	—	—	—	4,073	3,648		
Retirement costs (Notes 11 and 12)	47,273	—	—	—	47,273	45,919		
Third-party payers of health care costs	25,831	—	—	—	25,831	44,755		
Other	5,137	716	980	—	6,833	6,745		
Intergovernmental	—	4,054	13,844	—	17,898	17,476		
Due to other funds (Note 15)	—	2,933	476	(2,206)	1,203	5,383		
Obligations under capital leases (Note 10)	1,652	30	60	(672)	1,070	2,171		
General obligation bonds and notes payable (Notes 12 and 13)	—	—	19,359	—	19,359	19,968		
Total liabilities	100,688	8,522	36,394	(2,878)	142,726	159,496		
Fund Equity								
Proprietary fund equity	72,318	847	4,519	—	77,684	78,903		
Total fund equity	72,318	847	4,519	—	77,684	78,903		
Commitments and contingencies (Note 16)								
Total liabilities and fund equity	\$173,006	\$9,369	\$40,913	\$(2,878)	\$220,410	\$238,399		



## **ENTERPRISE FUNDS**



# ENTERPRISE FUNDS

## Combining Statement of Revenues, Expenses and Changes in Retained Earnings — Fund Balances — All Proprietary Fund Types and Similar Trust Funds

Year ended June 30, 1987  
(with comparative amounts for 1986)

	Proprietary Fund Types					Total Memoranda	
	Health and Hospitals		Trustees of Health and Hospitals		E. D. I. C.	1986	1987
	1987	1986	1987	1986			
Operating revenues:							
Gross patient service revenue	\$168,964	\$214,406	—	—	—	—	\$214,406
Deductions from patient service revenue:							
Contractual adjustments (Note 18)	40,417	(7,750)	—	—	—	—	(7,750)
Provision for uncollectible amounts, free care, and service provided to City employees	(50,382)	(67,511)	—	—	—	—	(67,511)
Total adjustments to (from) patient service revenue	(9,965)	(75,261)	—	—	—	—	(75,261)
Net patient service revenue	158,999	139,145	—	—	—	—	139,145
Investment income	—	—	—	—	\$1,285	\$1,276	1,285
Programs	—	—	\$21,635	\$23,672	—	—	21,635
Rental income	—	—	—	—	4,192	4,224	4,192
Intergovernmental	—	—	—	—	1,179	1,436	1,179
Miscellaneous	5,364	4,106	—	—	821	581	6,185
Total operating revenues	164,363	143,251	21,635	23,672	7,477	7,517	193,475
Operating expenses:							
Salaries, wages and fringe benefits	82,561	74,183	—	—	2,228	1,749	84,849
Professional fees	13,863	12,101	—	—	408	630	14,271
Retirement costs	13,158	12,641	—	—	—	—	13,158
Material supplies	10,498	10,533	—	—	51	32	10,549
Administrative and General	17,318	14,850	1,439	1,171	1,865	1,078	20,622
Depreciation	5,653	5,557	73	57	1,432	1,476	7,158
Interest	2,689	2,564	—	—	1,407	1,514	4,096
Subsidies for community services, special programs and real estate operations	15,764	13,932	20,245	22,232	—	—	36,009
Total operating expenses	161,504	146,361	21,757	23,460	7,451	6,479	190,712
Operating income (loss)	2,859	(3,110)	(122)	212	26	1,038	2,763
Operating transfers in (out), net (Note 17)	(4,454)	(1,108)	472	197	—	—	(3,982)
Net income (loss)	(1,595)	(4,218)	350	409	26	1,038	(1,219)
Fund equity (deficit) at beginning of year	73,913	78,131	497	88	4,493	3,455	78,903
Fund equity at end of year	\$72,318	\$73,913	\$847	\$497	\$4,519	\$4,493	\$77,684
							\$78,903

See accompanying notes to general purpose financial statements in section A.

# CITY OF BOSTON AND COUNTY OF SUFFOLK

## EXHIBIT F-3

### ENTERPRISE FUNDS

### COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended June 30, 1987

With Comparative Totals for Year Ended June 30, 1986  
(in thousands)

	Proprietary Fund Types				1987	1986
	Health and Hospitals	Trustees of Health and Hospitals	E.D.I.C.			
<b>Sources of funds:</b>						
Operations:						
Net income (loss)	\$(1,595)	\$350	\$26		\$(1,219)	\$(2,771)
Items not requiring (providing) funds:						
Depreciation	5,653	73	1,432		7,158	7,090
Loss (gain) on sale of investments and other	729	—	2,804		3,533	4,059
Funds provided by operations	4,787	423	4,262		9,472	8,378
Sale of investments:						
Increase in accrued retirement costs, judgments	1,353	—	—		1,353	—
Decrease in long-term portion of due from other funds	—	—	—		—	289
Total sources of funds	6,140	423	4,262		10,825	8,667
<b>Uses of funds:</b>						
Acquisition of property, plant and equipment	2,900	133	—		3,033	2,443
Net decrease in accrued retirement costs	—	—	—		—	944
Retirement of long-term obligations	1,509	30	—		1,539	1,095
Other	87	—	4,204		4,291	4,843
Total uses of funds	4,496	163	4,204		8,863	9,325
Increase (decrease) in funds	\$1,644	\$260	\$ 58		\$1,962	\$(658)
<b>Elements of net increase (decrease) in funds:</b>						
Cash and short-term investments	\$586	\$2,297	\$(200)		\$2,683	\$1,960
Other investments	—	—	—		—	—
Intergovernmental	—	—	(136)		(136)	84
Accounts receivable	656	(992)	(122)		(458)	(5,574)
Current portion of loans receivable	—	—	14		14	(1,428)
Current portion of due from other funds	(15,608)	—	—		(15,608)	12,254
Inventories	(35)	—	—		(35)	(187)
Other current assets	—	—	(40)		(40)	(345)
Warrants and accounts payable	(5,951)	51	386		(5,514)	1,281
Due to third-party payers	18,925	—	—		18,925	(8,659)
Accrued liabilities	(487)	168	(112)		(431)	575
Intergovernmental payable	—	(1,185)	155		(1,030)	(74)
Due to other funds	3,179	(89)	—		3,090	(647)
Current portion of lease obligations	379	10	—		389	179
Current portion of notes payable	—	—	113		113	(77)
Increase (decrease) in funds	\$1,644	\$260	\$58		\$1,962	\$(658)

## **FIDUCIARY FUNDS**





**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT G-1**  
**FIDUCIARY FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 1987**  
**(With Comparative Totals for June 30, 1986)**

	Pension Trust Funds			
	State/Boston Retirement System	Boston Retirement System	Health & Hospitals Pension Trust	Total Pension Trust
Assets				
Cash and Short-term Investments ...	\$ 89,139,000	\$ 414,508	\$36,037,294	\$125,590,802
Other Investments .....	602,641,000	—	—	602,641,000
Receivables:				
Intergovernmental .....	35,383,000	329,138	—	35,712,138
Accounts .....	14,630,000	—	—	14,630,000
Due from Other Funds.....	4,571,000	800,000	632,000	6,003,000
Notes.....	—	—	—	—
Other Assets.....	—	—	—	—
Property, Plant and Equipment .....	—	—	—	—
Total Assets .....	746,364,000	1,543,646	36,669,294	784,576,940
Liabilities and Fund Balances				
Liabilities:				
Warrants and Accounts Payable .....	18,731,000	—	—	18,731,000
Due to Designated Entities .....	—	—	—	—
Other Accrued Liabilities.....	—	—	—	—
Due to Other Funds.....	—	—	—	—
Total Liabilities .....	18,731,000	—	—	18,731,000
Fund Balances:				
Reserved for:				
Encumbrances .....	—	—	—	—
Employee Retirement System .....	727,633,000	1,543,646	36,669,294	765,845,940
Appropriations.....	—	—	—	—
Unreserved:				
Reserved for Appropriation.....	—	—	—	—
Undesignated .....	—	—	—	—
Designated.....	—	—	—	—
Total Fund Balances.....	727,633,000	1,543,646	36,669,294	765,845,940
Total Liabilities and Fund Balances.....	\$746,364,000	\$1,543,646	\$36,669,294	\$784,576,940



**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT G-1**

**FIDUCIARY FUNDS**

**COMBINING BALANCE SHEET**

**JUNE 30, 1987**

**(With Comparative Totals for June 30, 1986)**

Nonexpendable Trust Funds

City Funds	School Funds	George Robert White Fund	Total Nonexpendable Trust Funds
\$ 1,630,007	\$389,088	\$1,458,198	\$ 3,477,293
17,148,862	63,640	8,298,136	25,510,638
—	—	—	—
—	—	—	—
65,952	—	—	65,952
—	—	—	—
—	—	—	—
60,000	—	131,162	191,162
18,904,821	452,728	9,887,496	29,245,045
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
18,904,821	452,728	9,887,496	29,245,045
—	—	—	—
18,904,821	452,728	9,887,496	29,245,045
\$18,904,821	\$452,728	\$9,887,496	\$29,245,045

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT G-1**

**FIDUCIARY FUNDS**

**COMBINING BALANCE SHEET**

**JUNE 30, 1987**

**(With Comparative Totals for June 30, 1986)**

	Expendable Trust Funds			
	City Funds	School Funds	George Robert White Fund	Neighborhood Housing
<b>Assets</b>				
Cash and Short-term Investments .....	\$ 6,489,129	\$283,908	\$ 697,941	\$ 541,811
Other Investments .....	7,351,906	31,576	6,442,383	—
Receivables:				
Intergovernmental .....	—	—	—	—
Accounts .....	—	—	—	550,602
Due from Other Funds .....	97,515	—	—	—
Notes .....	—	—	257,500	—
Other Assets, .....	—	—	—	—
Property, Plant and Equipment .....	—	—	—	—
<b>Total Assets</b> .....	<b>13,938,550</b>	<b>315,484</b>	<b>7,397,824</b>	<b>1,092,413</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Warrants and Accounts Payable .....	—	—	—	—
Due to Designated Entities .....	—	—	—	—
Other Accrued Liabilities .....	—	—	136,147	—
Due to Other Funds .....	799,827	—	—	—
<b>Total Liabilities</b> .....	<b>799,827</b>	<b>—</b>	<b>136,147</b>	<b>—</b>
<b>Fund Balances:</b>				
<b>Reserved for:</b>				
Encumbrances .....	—	—	—	—
Employee Retirement System .....	—	—	—	—
Appropriations .....	3,349,787	—	3,742,213	—
<b>Unreserved:</b>				
Reserved for Appropriation .....	—	—	—	—
Undesignated .....	9,788,936	119,959	3,519,464	1,087,552
Designated .....	—	195,525	—	4,861
<b>Total Fund Balances</b> .....	<b>13,138,723</b>	<b>315,484</b>	<b>7,261,677</b>	<b>1,092,413</b>
<b>Total Liabilities and Fund Balances</b> .....	<b>\$13,938,550</b>	<b>\$315,484</b>	<b>\$7,397,824</b>	<b>\$1,092,413</b>

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT G-1**

**FIDUCIARY FUNDS**

**COMBINING BALANCE SHEET**

**JUNE 30, 1987**

**(With Comparative Totals for June 30, 1986)**

**Expendable Trust Funds**

Neighborhood Jobs	Trustees of Health and Hospitals	Trustees of Public Library	Total Expendable Trust Funds
—	\$ 4,443,593	\$ 1,107,207	\$13,563,589
—	8,195,231	13,375,838	35,396,934
—	—	—	—
\$28,006	—	—	578,608
—	726,812	—	824,327
—	—	—	257,500
—	—	—	—
—	—	—	—
28,006	13,365,636	14,483,045	50,620,958
—	—	—	—
—	—	—	—
—	—	—	136,147
—	—	—	799,827
—	—	—	935,974
—	—	—	—
—	—	—	—
—	—	—	7,092,000
—	—	—	—
28,006	13,365,636	11,812,322	39,721,875
—	—	2,670,723	2,871,109
28,006	13,365,636	14,483,045	49,684,984
\$28,006	\$13,365,636	\$14,483,045	\$50,620,958

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT G-1**

**FIDUCIARY FUNDS**

**COMBINING BALANCE SHEET**

**JUNE 30, 1987**

**(With Comparative Totals for June 30, 1986)**

	Agency Funds			Totals	
	B.C./B.S. Agency Fund	B.R.A. Agency Fund	Total Agency Funds	1987	1986
Assets					
Cash and Short-term Investments .....	\$10,298,689	—	\$10,298,689	\$152,930,373	\$ 66,382,000
Other Investments .....	—	\$ 3,352,722	3,352,722	666,901,294	624,830,000
Receivables:					
Intergovernmental .....	—	210,402	210,402	35,922,540	9,021,000
Accounts .....	—	—	—	15,208,608	20,120,000
Due from Other Funds .....	5,283,156	—	5,283,156	12,176,435	53,393,000
Notes .....	—	22,960,544	22,960,544	23,218,044	—
Other Assets' .....	3,500,000	—	3,500,000	3,500,000	—
Property, Plant and Equipment .....	—	—	—	191,162	191,000
Total Assets .....	19,081,845	26,523,668	45,605,513	910,048,456	773,937,000
Liabilities and Fund Balances					
Liabilities:					
Warrants and Accounts Payable .....	—	—	—	18,731,000	12,218,000
Due to Designated Entities .....	—	—	—	—	—
Other Accrued Liabilities .....	6,404,722	25,151,534	31,556,256	31,692,403	10,266,000
Due to Other Funds .....	12,677,123	1,372,134	14,049,257	14,849,084	11,568,000
Total Liabilities .....	19,081,845	26,523,668	45,605,513	65,272,487	34,052,000
Fund Balances:					
Reserved for:					
Encumbrances .....	—	—	—	—	—
Employee Retirement System .....	—	—	—	765,845,940	670,409,000
Appropriations .....	—	—	—	7,092,000	6,204,00
Unreserved:					
Reserved for Appropriation .....	—	—	—	—	—
Undesignated .....	—	—	—	68,966,920	60,961,000
Designated .....	—	—	—	2,871,109	2,311,000
Total Fund Balances .....	—	—	—	844,775,969	739,885,000
Total Liabilities and Fund Balances	\$19,081,845	\$26,523,668	\$45,605,513	\$910,048,456	\$773,937,000



**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT G-2**  
**FIDUCIARY FUND — EXPENDABLE TRUST**  
**COMBINED STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND EQUITY**  
**YEAR ENDED JUNE 30, 1987**

	City Funds	School Funds
Revenues:		
Rents .....	\$ 20,943	—
Investment Income .....	1,086,761	\$ 18,723
Sale of Real Estate .....	—	—
Other Revenue .....	618,812	—
Total Revenues .....	1,726,516	18,723
Expenditures:		
General Government .....	195,793	—
Parks and Recreation .....	398,336	—
Schools .....	—	21,506
Public Works .....	—	—
Property and Development .....	—	—
Total Expenditures .....	594,129	21,506
Excess (deficiency) of revenues over expenditures	1,132,387	(2,783)
Other Financing Sources (Uses):		
Operating Transfers In (Out) .....	(94,417)	17,712
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	1,037,970	14,929
Fund equity, beginning of year .....	12,100,753	300,555
Fund equity, end of year .....	\$13,138,723	\$315,484

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT G-2**  
**FIDUCIARY FUND — EXPENDABLE TRUST**  
**COMBINED STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND EQUITY**  
**YEAR ENDED JUNE 30, 1987**

George Robert White Fund	Trustees of Health & Hospitals	Trustees of Public Library	Neighborhood Housing	Neighborhood Jobs	Total Expendable Trust
—	—	—	—	—	\$ 20,943
\$ 767,986	\$ 836,111	\$ 109,745	\$ 10,405	—	2,829,731
285,000	—	—	—	—	285,000
—	—	571,112	1,082,008	\$28,006	2,299,938
1,052,986	836,111	680,857	1,092,413	28,006	5,435,612
97,975	—	—	—	—	293,768
—	—	—	—	—	398,336
—	—	—	—	—	21,506
240,787	—	—	—	—	240,787
—	—	566,297	—	—	566,297
338,762	—	566,297	—	—	1,520,694
714,224	836,111	114,560	1,092,413	28,006	3,914,918
489,556	(472,645)	423,825	—	—	364,031
1,203,780	363,466	538,385	1,092,413	28,006	4,278,949
6,057,897	13,002,170	2,132,338	—	—	33,593,713
\$7,261,677	\$13,365,636	\$2,670,723	\$1,092,413	\$28,006	\$37,872,662

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT G-3**  
**FIDUCIARY FUNDS**  
**Combined Statement of Changes in Financial Position**  
**June 30, 1987**  
**(with Comparative Totals for June 30, 1986)**

	Non-Expendable Trust Funds				Total
	City Funds	School Funds	George Robert White Fund	Trustees of Public Library	Non-Expendable Trust Funds
Source of Funds:					
Operations:					
Net income (loss)	\$2,283,693	\$3,338	\$ 857,060	\$2,030,798	\$5,174,889
Funds provided by operations	2,283,693	3,338	857,060	2,030,798	5,174,889
Sale of investments	58,863	—	1,498,916	—	1,557,779
Total sources of income	2,342,556	3,338	2,355,976	2,030,798	6,732,668
Uses of funds:					
Purchase of investments	1,646,311	—	1,953,185	—	3,599,496
Total uses of funds	1,646,311	—	1,953,185	—	3,599,496
Increase (decrease) in funds	696,245	3,338	402,791	2,030,798	3,133,172
Elements of net increase (decrease) in funds:					
Cash and short-term investments	630,293	3,338	402,791	251,193	1,287,615
Other investments	—	—	—	1,779,605	1,779,605
Intergovernmental	—	—	—	—	—
Accounts receivable	—	—	—	—	—
Current portion of due from other funds	65,952	—	—	—	65,952
Warrants and accounts payable	—	—	—	—	—
Accrued liabilities	—	—	—	—	—
Due to other funds	—	—	—	—	—
Increase (decrease) in funds	\$ 696,245	\$3,338	\$ 402,791	\$2,030,798	\$3,133,172



**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT G-3**  
**FIDUCIARY FUNDS**  
**Combined Statement of Changes in Financial Position**  
**June 30, 1987**  
**(with Comparative Totals for June 30, 1986)**

Pension Trust Funds				Totals	
State/Boston Retirement System	Boston Retirement System	Health and Hospitals Pension Trust	Total Pension Trust Funds	1987	1986
\$90,921,000	\$230,042	\$4,285,749	\$95,436,791	\$100,611,680	\$153,002,330
90,921,000	230,042	4,285,749	95,436,791	100,611,680	153,002,330
—	—	—	—	1,557,779	1,985,798
90,921,000	230,042	4,285,749	95,436,791	102,169,459	154,988,128
—	—	—	—	3,599,496	3,610,570
—	—	—	—	3,599,496	3,610,570
90,921,000	230,042	4,285,749	95,436,791	98,569,963	151,377,558
72,821,000	(538,926)	6,832,749	79,114,823	80,402,438	(58,114,937)
33,273,000	—	—	33,273,000	35,052,605	177,936,000
27,251,000	(31,032)	—	27,219,968	27,219,968	1,364,946
(5,538,000)	—	—	(5,538,000)	(5,538,000)	(2,396,000)
(31,362,000)	800,000	(2,547,000)	(33,109,000)	(33,043,048)	24,790,705
(6,513,000)	—	—	(6,513,000)	(6,513,000)	8,783,000
—	—	—	—	—	2,843
989,000	—	—	989,000	989,000	(989,000)
\$90,921,000	\$230,042	\$4,285,749	\$95,436,791	\$ 98,569,963	\$151,377,557

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT G-4**  
**FIDUCIARY FUND — PENSION TRUST AND NON-EXPENDABLE TRUST**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND EQUITY**  
**Year Ended June 30, 1987**

	Non-Expendable Trusts				Total Non-Expendable Trusts
	City Funds	School Funds	George Robert White Fund	Trustees of Public Library	
<b>Revenues:</b>					
Rental Income .....	—	—	\$ 10,000	—	\$ 10,000
Investment Income .....	\$ 1,278,784	\$ 30,063	509,206	\$ 626,405	2,444,458
Net Appreciation in Fair Value of Investments .....	—	—	—	—	—
Contributions .....	100	—	—	691,573	691,673
Gain on Sale of Investments .....	2,257,985	—	827,410	1,833,942	4,919,337
Intergovernmental .....	—	—	—	—	—
Miscellaneous .....	68,763	—	—	—	68,763
<b>Total Revenues .....</b>	<b>3,605,632</b>	<b>30,063</b>	<b>1,346,616</b>	<b>3,151,920</b>	<b>8,134,231</b>
<b>Operating Expenses:</b>					
Salaries, Wages and Fringe Benefits .....	—	—	—	—	—
Professional Fees .....	—	—	—	—	—
Materials and Supplies .....	—	—	—	—	—
Administrative and General .....	—	313	—	—	313
Scholarship and Awards .....	—	8,700	—	—	8,700
Libraries .....	—	—	—	697,297	697,297
Benefits Paid .....	—	—	—	—	—
Members Refunds, Transfers and Reimbursements to Other Systems, Net .....	—	—	—	—	—
<b>Total Operating Expenses .....</b>	<b>—</b>	<b>9,013</b>	<b>—</b>	<b>697,297</b>	<b>706,310</b>
<b>Operating Income (Loss) .....</b>	<b>3,605,632</b>	<b>21,050</b>	<b>1,346,616</b>	<b>2,454,623</b>	<b>7,427,921</b>
<b>Operating Transfers In (Out), Net...</b>	<b>(1,321,939)</b>	<b>(17,712)</b>	<b>(489,556)</b>	<b>(423,825)</b>	<b>(2,253,032)</b>
<b>Net Income (Loss) .....</b>	<b>2,283,693</b>	<b>3,338</b>	<b>857,060</b>	<b>2,030,798</b>	<b>5,174,889</b>
<b>Fund Equity, Beginning of Year .....</b>	<b>16,621,128</b>	<b>449,390</b>	<b>9,030,436</b>	<b>9,781,524</b>	<b>35,882,478</b>
<b>Fund Equity, End of Year .....</b>	<b>\$18,904,821</b>	<b>\$452,728</b>	<b>\$9,887,496</b>	<b>\$11,812,322</b>	<b>\$41,057,367</b>

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT G-4**

**FIDUCIARY FUND — PENSION TRUST AND NON-EXPENDABLE TRUST  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND EQUITY  
Year Ended June 30, 1987**

Pension Trusts

State/Boston Retirement System	Boston Retirement System	Health & Hospitals Pension Trust	Total Pension Trust
—	—	—	—
\$ 44,815,000	\$ 48,967	\$ 1,959,028	\$ 46,822,995
10,778,000	—	—	10,778,000
158,156,000	802,496	2,341,802	161,300,298
—	—	—	—
27,152,000	168,968	—	27,320,968
23,000	—	—	23,000
240,924,000	1,020,431	4,300,830	246,245,261
911,000	—	—	911,000
313,000	—	—	313,000
34,000	—	—	34,000
28,000	—	15,081	43,081
—	—	—	—
—	—	—	—
133,859,000	790,389	—	134,649,389
14,858,000	—	—	14,858,000
150,003,000	790,389	15,081	150,808,470
90,921,000	230,042	4,285,749	95,436,791
—	—	—	—
90,921,000	230,042	4,285,749	95,436,791
636,712,000	1,313,604	32,383,545	670,409,149
\$727,633,000	\$1,543,646	\$36,669,294	\$765,845,940

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-1A**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**GAAP BASIS**

Fiscal Year	General Government	Public Safety	Public Works	Property and Development	Libraries	Parks and Recreation	Human Services	Schools
1983(b)	\$53,864	\$106,966	\$33,689	—	\$10,363	\$5,562	\$4,524	\$211,500
% of Total	8.00%	15.89%	5.01%	—	1.54%	0.83%	0.67	31.42%
% of Change	21.08%	12.83%	15.56%	—	29.68%	3.73%	46.41%	5.82%
1984	\$33,817	\$126,955	\$37,960	\$17,987	\$12,271	\$8,296	\$5,116	\$232,205
% of Total	5.06%	18.99%	5.68%	2.69%	1.84%	1.24%	0.77%	34.74%
% of Change	-37.22%	18.69%	12.68%	—	18.41%	49.15%	13.09%	9.79%
1985	\$33,685	\$123,537	\$37,570	\$15,724	\$12,481	\$6,967	\$4,981	\$252,203
% of Total	4.79%	17.56%	5.34%	2.23%	1.77%	0.99%	0.71%	35.84%
% of Change	-0.39%	-2.69%	-1.03%	-12.58%	1.71%	-16.02%	-2.64%	8.61%
1986	\$35,140	\$133,410	\$36,077	\$14,629	\$13,147	\$5,585	\$4,769	\$272,118
% of Total	4.87%	18.49%	5.00%	2.03%	1.82%	0.77%	0.66%	37.72%
% of Change	4.32%	7.99%	-3.97%	-6.96%	5.34%	-19.84%	-4.26%	7.90%
1987	\$38,805	\$169,528	\$56,317	\$19,140	\$17,688	\$9,074	\$5,799	\$284,746
% of Total	4.74%	20.70%	6.88%	2.34%	2.16%	1.11%	0.71%	34.77%
% of Change	10.43%	27.07%	56.10%	30.84%	34.54%	62.47%	21.60%	4.64%

(a) Includes General Fund only.

(b) In FY 1983 Property and Development was included in General Government.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-1A**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**GAAP BASIS**

County	Retirement Costs	Other Employee Benefits	Judgments and Claims	State and District Assessments	Miscellaneous	Capital Outlays	Debt Service	Total
\$15,896	\$69,860	\$23,139	\$80,114	\$47,034	\$2,064	\$3,895	\$4,409	\$673,079
2.36%	10.38%	3.44%	11.90%	6.99%	0.31%	0.58%	0.68%	100.00%
26.62%	-1.00%	3.93%	199.44%	-3.13%	209.45%	2,275.00%	311.15%	18.65%
\$17,565	\$81,309	\$27,323	\$12,362	\$47,531	\$3,523	\$1,378	\$2,793	\$668,391
2.63%	12.16%	4.09%	1.85%	7.11%	0.53%	0.21%	0.42%	100.00%
10.50%	16.39%	18.08%	-84.57%	1.06%	70.69%	-64.62%	-39.40%	-0.70%
\$17,416	\$92,461	\$33,284	\$6,742	\$49,692	\$5,788	\$7,516	\$3,600	\$703,647
2.48%	13.14%	4.73%	0.96%	7.06%	0.82%	1.07%	0.51%	100.00%
-0.85%	13.72%	21.82%	-45.46%	4.55%	64.29%	445.43%	28.89%	5.27%
\$18,947	\$85,677	\$29,546	\$15,111	\$45,575	\$2,687	\$4,142	\$4,833	\$721,393
2.63%	11.88%	4.10%	2.09%	6.32%	0.37%	0.57%	0.67%	100.00%
8.79%	-7.34%	-11.23%	124.13%	-8.29%	-53.58%	-44.89%	34.25%	2.52%
\$22,187	\$92,466	\$32,880	\$11,585	\$45,213	\$3,534	\$6,620	\$3,402	\$818,984
2.71%	11.29%	4.01%	1.41%	5.52%	0.43%	0.81%	0.42%	100.00%
17.10%	7.92%	11.29%	-23.33%	-0.79%	31.25%	59.83%	-29.61%	13.53%

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-1B**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**BUDGETARY BASIS**

Fiscal Year	General Government	Public Safety	Public Works	Property and Development	Libraries	Parks and Recreation	Human Services	Schools
1983	\$34,501	\$134,722	\$36,297	\$18,132	\$10,762	\$7,851	\$3,057	\$227,834
% of Total	4.05 %	15.82 %	4.26 %	2.13 %	1.26 %	0.92 %	0.36	26.75 %
% of Change	29.89 %	9.92 %	23.56 %	35.99 %	28.92 %	36.47 %	6.81 %	2.29 %
1984	\$30,402	\$149,590	\$42,378	\$20,701	\$12,100	\$9,038	\$8,280	\$245,000
% of Total	3.32 %	16.34 %	4.63 %	2.26 %	1.32 %	0.99 %	0.90 %	26.76 %
% of Change	-11.88 %	11.04 %	16.75 %	14.17 %	12.43 %	15.12 %	170.85 %	7.53 %
1985	\$33,843	\$153,452	\$39,830	\$18,687	\$12,638	\$8,087	\$5,104	\$257,062
% of Total	3.54 %	16.07 %	4.17 %	1.96 %	1.32 %	0.85 %	0.53 %	26.91 %
% of Change	11.32 %	2.58 %	-6.01 %	-9.73 %	4.45 %	-10.52 %	-38.36 %	4.92 %
1986	\$36,363	\$163,992	\$40,923	\$20,899	\$13,522	\$6,910	\$5,426	\$262,221
% of Total	3.59 %	16.21 %	4.05 %	2.07 %	1.34 %	0.68 %	0.54 %	25.92 %
% of Change	7.45 %	6.87 %	2.74 %	11.84 %	6.99 %	-14.55 %	6.31 %	2.01 %
1987	\$48,715	\$186,416	\$59,512	\$23,286	\$17,636	\$10,827	\$6,037	\$290,020
% of Total	4.34 %	16.62 %	5.31 %	2.08 %	1.57 %	0.97 %	0.54 %	25.86 %
% of Change	33.97 %	13.67 %	45.42 %	11.42 %	30.42 %	56.69 %	11.26 %	10.60 %

(a) Includes General Fund only.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-1B**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**BUDGETARY BASIS**

County	Retirement Costs	Other Employee Benefits	Judgments and Claims	State and District Assessments	Health and Hospitals	Debt Service	Total
\$16,228	\$94,659	\$31,956	\$7,151	\$47,034	\$107,773	\$73,676	\$851,633
1.91%	11.11%	3.75%	0.84%	5.52%	12.65%	8.65%	100.00%
22.92%	0.13%	44.54%	268.61%	-3.04%	4.39%	-1.72%	7.80%
\$17,649	\$113,093	\$28,949	\$6,077	\$47,781	\$114,612	\$69,838	\$915,488
1.93%	12.35%	3.16%	0.66%	5.22%	12.52%	7.63%	100.00%
8.76%	19.47%	-9.41%	-15.02%	1.59%	6.35%	-5.21%	7.50%
\$17,491	\$124,936	\$35,656	\$4,849	\$50,130	\$116,636	\$76,691	\$955,092
1.83%	13.08%	3.73%	0.51%	5.25%	12.21%	8.03%	100.00%
-0.90%	10.47%	23.17%	-20.21%	4.92%	1.77%	9.81%	4.33%
\$19,478	\$136,348	\$35,159	\$13,816	\$45,575	\$129,000	\$81,984	\$1,011,516
1.93%	13.48%	3.48%	1.37%	4.51%	12.75%	8.10%	100.00%
11.36%	9.13%	-1.39%	184.92%	-9.09%	-10.60%	6.77%	5.91%
\$22,156	\$143,736	\$37,368	\$4,717	\$45,213	\$140,789	\$85,250	\$1,121,678
1.98%	12.81%	3.33%	0.43%	4.03%	12.55%	7.60%	100.00%
13.75%	5.42%	6.28%	-65.86%	-0.79%	9.14%	4.11%	10.89%

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-1C**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (a)**  
**CONSTANT DOLLAR VALUE**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**GAAP BASIS**

Fiscal Year	General Government	Public Safety	Public Works	Property and Development	Libraries	Parks and Recreation	Human Services	Schools
1983(b)	\$53,864	\$106,966	\$33,689	—	\$10,363	\$5,562	\$4,524	\$211,500
% of Total	8.00%	15.89%	5.01%	—	1.54%	0.83%	0.67%	31.42%
% of Change	—	—	—	—	—	—	—	—
1984	\$32,207	\$120,910	\$36,152	\$17,130	\$11,687	\$7,901	\$4,872	\$221,148
% of Total	5.06%	18.99%	5.68%	2.69%	1.84%	1.24%	0.77%	34.74%
% of Change	-40.21%	13.04%	7.31%	—	12.77%	42.05%	7.70%	4.56%
1985	\$30,623	\$112,306	\$34,155	\$14,295	\$11,346	\$6,334	\$4,528	\$229,275
% of Total	4.79%	17.56%	5.34%	2.23%	1.77%	0.99%	0.71%	35.84%
% of Change	-4.92%	-7.12%	-5.53%	-16.55%	-2.91%	-19.84%	-7.06%	3.68%
1986	\$31,375	\$119,116	\$32,212	\$13,062	\$11,738	\$4,987	\$4,258	\$242,963
% of Total	4.87%	18.49%	5.00%	2.03%	1.82%	0.77%	0.66%	37.72%
% of Change	2.46%	6.06%	-5.69%	-8.63%	3.46%	-21.27%	-5.97%	5.97%
1987	\$32,886	\$143,668	\$47,726	\$16,220	\$14,990	\$7,690	\$4,914	\$241,310
% of Total	4.74%	20.70%	6.88%	2.34%	2.16%	1.11%	0.71%	34.77%
% of Change	4.81%	20.61%	48.16%	24.18%	27.70%	54.21%	15.51%	-0.68%

(a) Includes General Fund only.

(b) In FY 1983 Property and Development was included in General Government.



**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-1C**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (a)**  
**CONSTANT DOLLAR VALUE**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**GAAP BASIS**

County	Retirement Costs	Other Employee Benefits	Judgments and Claims	State and District Assessments	Miscellaneous	Capital Outlays	Debt Service	Total
\$15,896	\$69,860	\$23,139	\$80,114	\$47,034	\$2,064	\$3,895	\$4,409	\$673,079
2.36%	10.38%	3.44%	11.90%	6.99%	0.31%	0.58%	0.68%	100.00%
—	—	—	—	—	—	—	—	—
\$16,729	\$77,437	\$26,022	\$11,773	\$45,268	\$3,355	\$1,312	\$2,660	\$636,563
2.63%	12.16%	4.09%	1.85%	7.11%	0.53%	0.21%	0.42%	100.00%
5.24%	10.85%	12.46%	-85.30%	3.76%	62.56%	-66.31%	-42.29%	-5.43%
\$15,833	\$84,055	\$30,258	\$6,129	\$45,175	\$5,262	\$6,833	\$3,273	\$639,679
2.48%	13.14%	4.73%	0.96%	7.06%	0.82%	1.07%	0.51%	100.00%
-5.36%	8.55%	16.28%	-47.94%	-0.21%	56.82%	420.64%	29.03%	0.49%
\$16,917	\$76,497	\$26,380	\$13,492	\$40,692	\$2,399	\$3,698	\$4,315	\$644,101
2.63%	11.88%	4.10%	2.09%	6.32%	0.37%	0.57%	0.67%	100.00%
6.85%	-8.99%	-12.82%	120.13%	-9.92%	-54.41%	-45.87%	31.85%	0.69%
\$8,803	\$78,361	\$27,864	\$9,818	\$38,316	\$2,995	\$5,610	\$2,883	\$694,054
2.71%	11.29%	4.01%	1.41%	5.52%	0.43%	0.81%	0.42%	100.00%
11.15%	2.44%	5.63%	-27.23%	-5.84%	24.83%	51.70%	-33.19%	7.76%

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-1D**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
**CONSTANT DOLLAR VALUE (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**BUDGETARY BASIS**

County	Retirement Costs	Other Employee Benefits	Judgments and Claims	State and District Assessments	Health and Hospitals	Debt Service	Total
\$16,228	\$94,659	\$31,956	\$7,151	\$47,034	\$107,773	\$73,676	\$851,633
1.91%	11.11%	3.75%	0.84%	5.52%	12.65%	8.65%	100.00%
—	—	—	—	—	—	—	—
\$16,809	\$107,708	\$27,570	\$5,788	\$45,506	\$109,154	\$66,512	\$971,893
1.93%	12.35%	3.16%	0.66%	5.22%	12.52%	7.63%	100.00%
3.58%	13.78%	-13.72%	-19.07%	-3.25%	1.28%	9.72%	2.38%
\$15,901	\$113,578	\$32,415	\$4,408	\$5,573	\$106,033	\$69,719	\$868,265
1.83%	13.08%	3.73%	0.51%	5.25%	12.21%	8.03%	100.00%
-5.40%	5.45%	17.57%	-23.83%	0.15%	-2.86%	4.82%	-0.42%
\$17,391	\$121,739	\$31,392	\$12,336	\$40,692	\$115,179	\$73,111	\$903,139
1.93%	13.48%	3.48%	1.37%	4.51%	12.75%	8.10%	100.00%
9.37%	7.19%	-3.15%	179.84%	-10.71%	8.63%	4.86%	4.02%
\$18,776	\$121,810	\$31,668	\$3,997	\$38,316	\$119,313	\$72,246	\$950,575
1.98%	12.81%	3.33%	0.42%	4.03%	12.55%	7.60%	100.00%
7.97%	0.06%	0.88%	-67.59%	-5.84%	3.59%	-1.18%	5.25%

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-1D**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
**CONSTANT DOLLAR VALUE (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**BUDGETARY BASIS**

Fiscal Year	General Government	Public Safety	Public Works	Property and Development	Libraries	Parks and Recreation	Human Services	Schools
1983	\$34,501	\$134,722	\$36,297	\$18,132	\$10,762	\$7,851	\$3,057	\$227,834
% of Total	4.05%	15.82%	4.26%	2.13%	1.26%	0.92%	0.36%	26.75%
% of Change	—	—	—	—	—	—	—	—
1984	\$28,954	\$142,467	\$40,360	\$19,715	\$11,524	\$8,608	\$7,886	\$233,333
% of Total	3.32%	16.34%	4.63%	2.26%	1.32%	0.99%	0.90%	26.76%
% of Change	-16.08%	5.75%	11.19%	8.73%	7.08%	9.64%	157.96%	2.41%
1985	\$30,766	\$139,502	\$36,209	\$16,988	\$11,489	\$7,352	\$4,640	\$233,693
% of Total	3.54%	16.07%	4.17%	1.96%	1.32%	0.85%	0.53%	26.91%
% of Change	6.26%	-2.08%	-10.28%	-13.83%	-0.30%	-14.59%	-41.16%	0.15%
1986	\$32,467	\$146,421	\$36,538	\$18,660	\$12,073	\$6,170	\$4,845	\$234,126
% of Total	3.59%	16.21%	4.05%	2.07%	1.34%	0.68%	0.54%	25.92%
% of Change	5.53%	4.96%	0.91%	9.84%	5.08%	-16.08%	4.41%	0.19%
1987	\$41,284	\$157,980	\$50,434	\$19,734	\$14,946	\$9,175	\$5,116	\$245,780
% of Total	4.34%	16.62%	5.31%	2.08%	1.57%	0.97%	0.54%	25.86%
% of Change	27.16%	7.89%	38.03%	5.76%	23.79%	48.72%	5.60%	4.98%

(a) Includes General Fund only.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-2A**  
**GENERAL REVENUES BY SOURCE — ACTUAL (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**GAAP BASIS**

Fiscal Year	Real & Personal Property Tax	Motor Vehicle Excise Tax	Hotel & Aircraft Fuel Excise Tax (b)	Payments in Lieu of Tax	License & Permits
1983	\$382,322	\$8,149		\$32,334	\$9,601
% of Total	52.34%	1.12%	(b)	4.43%	1.31%
% of Change	-8.78%	42.07%		48.73%	46.78%
1984	\$305,882	\$9,511		\$19,494	\$10,170
% of Total	44.98%	1.40%	(b)	2.87%	1.50%
% of Change	-19.99%	16.71%		-39.71%	5.93%
1985	\$338,022	\$9,356		\$43,702	\$12,062
% of Total	43.41%	1.20%	(b)	5.61%	1.55%
% of Change	10.51%	-1.63%		124.18%	18.60%
1986	\$319,823	\$13,915	\$16,961	\$36,360	\$17,817
% of Total	39.55%	1.72%	2.10%	4.50%	2.20%
% of Change	-5.38%	48.73%		-16.80%	47.71%
1987	\$357,558	\$18,633	\$23,688	\$41,110	\$18,592
% of Total	39.09%	2.04%	2.59%	4.49%	2.03%
% of Change	11.80%	33.91%	39.66%	13.06%	4.35%

(a) Includes General Fund only.

(b) The Hotel and Aircraft Fuel excise taxes were enacted in FY 1986, for the payment of debt service on the funding loan bonds. (See Note 13 of the general purpose financial statements.)

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-2A**  
**GENERAL REVENUES BY SOURCE — ACTUAL (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**GAAP BASIS**

Fines & Forfeits	Investment Income	Departmental Charges & Miscellaneous	Inter- governmental	Other	Total
\$25,899	\$4,688	\$26,065	\$236,771	\$4,621	\$730,450
3.55%	0.64%	3.37%	32.41%	0.63%	100.00%
4.33%	-59.25%	25.91%	22.90%	6.45%	3.30%
\$25,906	\$13,375	\$23,395	\$267,406	\$4,870	\$680,009
3.81%	1.97%	3.44%	39.32%	0.72%	100.00%
0.03%	185.30%	-10.24%	12.94%	5.39%	-6.91%
\$29,170	\$16,127	\$25,628	\$299,555	\$5,124	\$778,746
3.75%	2.07%	3.29%	38.47%	0.66%	100.00%
12.60%	20.58%	9.54%	12.02%	5.22%	14.52%
\$33,931	\$21,324	\$35,672	\$307,425	\$5,423	\$808,651
4.20%	2.64%	4.41%	38.02%	0.67%	100.00%
16.32%	32.23%	39.19%	2.63%	5.84%	3.84%
\$36,878	\$20,215	\$33,621	\$358,896	\$5,522	\$914,713
4.03%	2.21%	3.68%	39.24%	0.60%	100.00%
8.69%	-5.20%	-5.75%	16.74%	1.83%	13.12%

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-2B**  
**GENERAL REVENUES BY SOURCE — ACTUAL (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**GAAP BASIS**

Fiscal Year	Real & Personal Property Tax	Motor Vehicle Excise Tax	Hotel & Aircraft Fuel Excise Tax (c)	Payments in Lieu of Tax	License & Permits	Fines & Forfeits	Investment Income
1983(b)	\$354,382	\$7,464		\$36,735	—	\$26,764	—
% of Total	41.06%	0.86%	(c)	4.26%	—	3.10%	—
% of Change	— 14.95%	10.41%		42.00%	—	38.47%	—
1984	\$313,179	\$8,588		\$13,691	\$9,956	\$24,154	\$13,403
% of Total	34.11%	0.94%	(c)	1.49%	1.08%	2.63%	1.46%
% of Change	— 11.63%	15.06%		— 62.73%	—	— 9.75%	—
1985	\$345,678	\$10,688		\$15,430	\$12,276	\$29,740	\$15,822
% of Total	34.71%	1.07%	(c)	1.55%	1.23%	2.99%	1.59%
% of Change	10.38%	24.45%		12.70%	23.30%	23.13%	18.05%
1986	\$354,034	\$13,925	\$16,961	\$15,570	\$17,744	\$32,261	\$20,442
% of Total	34.00%	1.34%	1.63%	1.50%	1.70%	3.10%	1.96%
% of Change	2.42%	30.29%		0.91%	44.54%	8.48%	29.20%
1987	\$391,544	\$15,854	\$23,687	\$17,467	\$18,592	\$36,809	\$19,496
% of Total	34.16%	1.38%	2.07%	1.52%	1.62%	3.21%	1.70%
% of Change	10.60%	13.85%	39.66%	12.18%	4.78%	14.10%	— 4.63%

(a) Includes General Fund only.

(b) In FY 1983 Investment Income and License and Permit were included in Departmental Charges and Miscellaneous.

(c) The Hotel and Aircraft Fuel excise taxes were enacted in FY 1986, for the payment of debt service on the funding loan bonds. (See Note 13 of the general purpose financial statements.)

(d) No sales of City Property were recorded in FY 1983, 1986, and 1987.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-2B**  
**GENERAL REVENUES BY SOURCE — ACTUAL (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**GAAP BASIS**

Departmental Charges & Miscellaneous	Inter- governmental	Sale of Property(d)	Health & Hospitals	Transfers from Other Funds	Other Available Funds	Total
\$42,507	\$257,215	—	\$98,227	\$19,900	\$19,817	\$863,011
4.93%	29.80%	—	11.38%	2.31%	2.03%	100.00%
28.09%	21.19%	—	4.86%	−7.86%	276.75%	3.41%
\$24,928	\$300,451	\$11,093	\$112,717	\$22,145	\$63,810	\$918,115
2.72%	32.72%	1.21%	12.28%	2.41%	6.95%	100.00%
−41.36%	16.81%	—	14.75%	11.28%	222.00%	6.39%
\$29,479	\$354,118	\$29,627	\$115,473	\$26,977	\$10,574	\$995,882
2.96%	35.56%	2.97%	11.60%	2.71%	1.06%	100.00%
18.26%	17.86%	167.08%	2.45%	21.82%	−83.43%	8.47%
\$23,370	\$354,987	—	\$148,827	\$24,960	\$18,137	\$1,041,218
2.24%	34.09%	0.00%	14.29%	2.40%	1.74%	100.00%
−20.72%	0.25%	−100.00%	28.88%	−7.48%	71.52%	4.55%
\$33,365	\$409,831	—	\$142,749	\$16,825	\$19,965	\$1,146,184
2.91%	35.76%	0.00%	12.45%	1.47%	1.74%	100.00%
42.77%	15.45%	—	−4.08%	−32.59%	10.08%	10.08%

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-2C**  
**GENERAL REVENUES BY SOURCE —**  
**CONSTANT DOLLAR VALUE (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**GAAP BASIS**

Fiscal Year	Real & Personal Property Tax	Motor Vehicle Excise Tax	Hotel & Aircraft Fuel Excise Tax (b)	Payments in Lieu of Tax	License & Permits
1983	\$382,322	\$8,149	—	\$32,334	\$9,601
% of Total	52.34%	1.12%	—	4.43%	1.31%
% of Change	—	—	—	—	—
1984	\$291,316	\$9,058	—	\$18,566	\$9,686
% of Total	44.98%	1.40%	—	2.87%	1.50%
% of Change	-23.08%	11.16%	—	-42.58%	0.88%
1985	\$307,293	\$8,505	—	\$39,729	\$10,965
% of Total	43.41%	1.20%	—	5.61%	1.55%
% of Change	5.48%	-6.10%	—	113.99%	13.21%
1986	\$285,556	\$12,424	\$15,144	\$32,464	\$15,908
% of Total	39.55%	1.72%	2.10%	4.50%	2.20%
% of Change	-7.07%	%	—	-18.29%	45.07%
1987	\$303,015	\$15,791	\$20,075	\$34,839	\$15,756
% of Total	39.09%	2.04%	2.59%	4.49%	2.03%
% of Change	6.11%	27.10%	32.56%	7.31%	-0.96%

(a) Includes General Fund only.

(b) The Hotel and Aircraft Fuel excise taxes were enacted in FY 1986, for the payment of debt service on the funding loan bonds. (See Note 13 of the general purpose financial statements.)



**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-2C**  
**GENERAL REVENUES BY SOURCE —**  
**CONSTANT DOLLAR VALUE (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**GAAP BASIS**

Fines & Forfeits	Investment Income	Departmental Charges & Miscellaneous	Inter- governmental	Other	Total
\$25,899	\$4,688	\$26,065	\$236,771	\$4,621	\$730,450
3.55%	0.64%	3.57%	32.41%	0.63%	100.00%
—	—	—	—	—	—
\$24,672	\$12,738	\$22,281	\$254,672	\$4,638	\$647,628
3.81%	1.97%	3.44%	39.32%	0.72%	100.00%
-4.74%	171.72%	-14.52%	7.56%	0.37%	-11.34%
\$26,518	\$14,661	\$23,298	\$272,323	\$4,658	\$707,951
3.75%	2.07%	3.29%	38.47%	0.66%	100.00%
7.48%	15.09%	4.57%	6.93%	0.43%	9.31%
\$30,296	\$19,039	\$31,850	\$274,487	\$4,842	\$722,010
4.20%	2.64%	4.41%	38.02%	0.67%	100.00%
14.24%	29.86%	36.71%	0.79%	3.95%	1.99%
\$31,253	\$17,131	\$29,492	\$304,149	\$4,680	\$775,181
4.03%	2.21%	3.68%	39.24%	0.60%	100.00%
3.16%	-10.02%	-10.54%	10.81%	-3.35%	7.36%

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-2D**  
**GENERAL REVENUES BY SOURCE —**  
**CONSTANT DOLLAR VALUE (a)**  
**LAST FIVE YEARS**  
**(In Thousands)**  
**BUDGETARY BASIS**

Fiscal Year	Real & Personal Property Tax	Motor Vehicle Excise Tax	Hotel & Aircraft Fuel Excise Tax (c)	Payments in Lieu of Tax	License & Permits	Fines & Forfeits	Investment Income
1983(b)	\$354,382	\$7,464	—	\$36,735	—	\$26,764	—
% of Total	41.06%	0.86%	—	4.26%	—	3.10%	—
% of Change	—	—	—	—	—	—	—
1984	\$298,266	\$8,179	—	\$13,039	\$9,482	\$23,004	\$12,765
% of Total	34.11%	0.94%	—	1.49%	1.08%	2.63%	1.46%
% of Change	-15.83%	9.58%	—	-64.51%		-14.05%	—
1985	\$314,253	\$9,716	—	\$14,027	\$11,160	\$27,036	\$14,384
% of Total	34.71%	1.07%	—	1.55%	1.23%	2.99%	1.59%
% of Change	5.36%	18.80%	—	7.58%	17.70%	17.53%	12.68%
1986	\$316,102	\$12,433	\$15,144	\$13,902	\$15,843	\$28,804	\$18,252
% of Total	34.00%	1.34%	1.63%	1.50%	1.70%	3.10%	1.96%
% of Change	0.59%	27.96%	—	-0.89%	41.96%	6.54%	26.89%
1987	\$321,817	\$13,436	\$20,074	\$14,803	\$15,756	\$31,194	\$16,522
% of Total	34.16%	1.38%	2.07%	1.52%	1.62%	3.21%	1.70%
% of Change	4.97%	8.06%	32.55%	6.48%	-0.55%	8.30%	-9.48%

(a) Includes General Fund only.

(b) In FY 1983 Investment Income and License and Permit were included in Departmental Charges and Miscellaneous.

(c) The Hotel and Aircraft Fuel excise taxes were enacted in FY 1986, for the payment of debt service on the Funding Loan Bonds. (See Note 13 of the general purpose financial statements.)

(d) No sales of City Property were recorded in FY 1983, 1986, and 1987.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**

**EXHIBIT S-2D**

**GENERAL REVENUES BY SOURCE —**

**CONSTANT DOLLAR VALUE (a)**

**LAST FIVE YEARS**

**(In Thousands)**

**BUDGETARY BASIS**

Departmental Charges & Miscellaneous	Inter- governmental	Sale of Property (d)	Health & Hospitals	Transfers from Other Funds	Other Available Funds	Total
\$42,507	\$257,215	—	\$98,227	\$19,900	\$19,817	\$863,011
4.93%	29.80%	—	11.38%	2.31%	2.30%	100.00%
—	—	—	—	—	—	—
\$23,741	\$286,144	\$10,565	\$107,350	\$21,090	\$60,771	\$874,395
2.72%	32.72%	1.21%	12.28%	2.41%	6.95%	100.00%
−44.15%	11.25%	—	9.29%	5.98%	206.66%	1.32%
\$26,799	\$321,925	\$26,934	\$104,975	\$24,525	\$9,613	\$905,347
2.96%	35.56%	2.97%	11.60%	2.71%	1.06%	100.00%
12.88%	12.50%	154.94%	−2.21%	16.28%	−84.18%	3.54%
\$20,866	\$316,953	—	\$132,881	\$22,286	\$16,194	\$929,659
2.24%	34.09%	0.00%	14.29%	2.40%	1.74%	100.00%
−22.14%	−1.54%	−100.00%	26.58%	−9.13%	68.46%	2.69%
\$28,275	\$347,314	—	\$120,974	\$14,258	\$16,919	\$971,342
2.91%	35.76%	—	12.45%	1.47%	1.74%	100.00%
35.51%	9.58%	—	−8.96%	−36.02%	4.48%	4.48%

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-3**  
**PROPERTY TAX, LEVIES, AND COLLECTION**  
(\$ in millions)

Fiscal Year	Total Tax Levy	Collection of Current Year's Tax	Percent of Levy Collected	Collection of Prior Year's Tax	Total Tax Collection	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Current Year's Tax Levy
<b>1983</b>	\$375.2	\$161.7	43.1%	0.4	162.1	43.2%	\$209	55.7%
<b>1984</b>	334.4	311	93.0%	190.7	501.7	150.0%	2.7	0.8%
<b>1985</b>	363.9	340.1	93.5%	1.1	341.2	93.8%	3.6	1.0%
<b>1986</b>	394.7	179.6	45.5%	1	180.6	45.8%	211.6	53.6%
<b>1987</b>	422.6	400.7	94.8%	197.1	597.8	141.5%	17.3	4.1%

Source: Treasurer's Office

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-4**  
**ASSESSED MARKET VALUE OF ALL TAXABLE PROPERTY**  
**Years 1983 through 1987**

Fiscal Year	Real Property		Personal Property		Total		Population
	Assessed Value	Per Capita	Assessed Value	Per Capita	Assessed Value	Per Capita	
<b>1983</b>	\$10,089,026,535	\$17,989	\$1,695,417,721	\$3,023	\$11,784,444,256	\$21,012	560,847
<b>1984</b>	11,202,181,007	19,628	1,821,847,318	3,248	13,024,028,325	23,222	570,719
<b>1985</b>	13,218,885,271	23,162	1,577,990,719	2,814	14,796,875,990	26,383	570,719
<b>1986</b>	17,991,130,089	31,365	1,681,352,676	2,998	19,672,482,765	35,076	573,600
<b>1987</b>	21,775,401,986	37,963	1,734,251,712	3,092	23,509,653,698	41,918	573,600

Source: Assessing Department  
Exempt properties are not included.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-5**  
**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE**  
**AND NET BONDED PER CAPITA**  
**Last Five Years**

Fiscal Year Ending June 30*	Population	Assessed Value (A)	Gross Bonded Debt	Less: Self- supporting Debt	Less: Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
<b>1983</b>	560,847	\$11,784,444,256	\$459,138,500	\$45,000,000	\$80,135,000	\$334,003,500	2.8%	596
<b>1984</b>	570,719	13,024,028,325	503,793,500	45,000,000	19,647,000	439,146,500	3.4%	769
<b>1985</b>	570,719	14,796,875,990	530,778,356	45,000,000	24,549,000	461,229,356	3.1%	808
<b>1986</b>	573,600	19,672,482,765	548,748,356	43,000,000	34,739,000	471,009,356	2.4%	821
<b>1987</b>	573,600	23,509,653,698	510,833,356	39,800,000	105,610,000	365,423,356	1.6%	637

\* Source: U. S. Census Bureau

(A) Assessed value does not include exempt properties.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-6**  
**UNUSED DEBT INCURRING CAPACITY**  
**FISCAL 87**

\*All figures relate to WITHIN DEBT LIMIT.

**EQUALIZED VALUATION** — Determined by the Mass. Dept. of Revenue in accordance with the provisions of the Mass. General Laws, Chapter 58, sections 9-10C (For use in F'86 and '87.)

	<u>\$13,952,000,000.00</u>	
	2.5%	5.0%
Maximum on 7/1/86 =	<u>\$348,800,000</u>	<u>\$697,600,000</u>
As of 6/30/86:		
Debt Outstanding	\$(137,899,855)	\$(137,899,855)
Debt Authorized/Unissued	(42,900,000)	(42,900,000)
Sinking Fund Surplus for Debt Retirement:	67,400	67,400
Available Debt Incurring Capacity as of 7/1/86	<u>\$168,067,545</u>	<u>\$516,867,545</u>
Serial Debt Redeemed During Fiscal '87	\$11,840,000	\$11,840,000
Refunding Issue of 8/15/86: (Refunded)	19,125,000	19,125,000
Refunding Issue of 8/15/86: (Refunding)	23,279,438	23,279,438
Council Orders Authorized During Fiscal '87	<u>109,800,000</u>	<u>109,800,000</u>
Debt Incurring Capacity as of 6/30/87:	<u>\$65,953,105</u>	<u>\$414,753,105</u>

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-6A**  
**UNUSED DEBT INCURRING CAPACITY**  
**FISCAL 87**

\*All figures relate to WITHIN DEBT LIMIT.

JULY 1, 1986 MAXIMUM BASED UPON EQV. = (for use in F'86 & '87.)

\$13,952,000,000.00

Maximum 7/1/86 =

	2.5%	5.0%
	\$348,800,000	\$697,600,000

As of 6/30/86:

Debt Outstanding

\$(137,899,855) \$(137,899,855)

Debt Authorized/Unissued

(42,900,000) (42,900,000)

Sinking Fund Surplus for Debt Retirement:

67,400 67,400

Debt Incurring Capacity as of 7/1/86

168,067,545 516,867,545

Debt Payment on 8/1/86:

1,415,000 1,415,000

Refunding Issue of 8/15/86: (Refunded \$19,125,000)

19,125,000 19,125,000

Refunding Issue of 8/15/86: (Refunding \$23,379,438)

23,279,438 23,279,438

Debt Payment on 10/1/86:

40,000 40,000

Debt Payment on 11/1/86:

200,000 200,000

Debt Payment on 12/1/86:

700,000 700,000

C.O. 12/15/86: Remodeling and Repair — Schools

(21,815,000) (21,815,000)

C.O. 12/27/86: Remodeling and Repair — H and H

(5,615,000) (5,615,000)

C.O. 12/27/86: Remodeling and Repair — Various

(18,575,000) (18,575,000)

C.O. 12/27/86: Construction of Public Buildings — H and H

(9,505,000) (9,505,000)

C.O. 12/27/86: Construction of Public Buildings — Various

(4,110,000) (4,110,000)

C.O. 12/27/86: Departmental Equipment — Various

(2,880,000) (2,880,000)

C.O. 12/27/86: Auto. Traffic Control Signals

(885,000) (885,000)

C.O. 12/27/86: Construction of Public Ways

(730,000) (730,000)

C.O. 12/27/86: Construction of Public Ways

(15,840,000) (15,840,000)

C.O. 12/27/86: Construction of Sidewalks

(2,250,000) (2,250,000)

Debt Payment on 1/1/87:

5,140,000 5,140,000

Debt Payment on 3/1/87:

1,960,000 1,960,000

C.O. 3/13/87: Remodeling and Repair — Various

(13,405,000) (13,405,000)

C.O. 3/13/87: Acquisition of Land — Outdoor Facilities

(4,190,000) (4,190,000)

Debt Payment on 4/1/87:

245,000 245,000

C.O. 4/1/87: Remodeling and Repair — Schools

(10,000,000) (10,000,000)

Debt Payment on 5/1/87:

1,025,000 1,025,000

Debt Payment on 6/1/87:

1,115,000 1,115,000

Debt Incurring Capacity as of 6/30/87:

\$65,953,105 \$414,753,105

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-7**  
**COMPUTATION OF OVERLAPPING DEBT**  
**JUNE 30, 1987**  
**(\$ in thousands)**

Governmental Unit	Net Bonded Debt	Percentage of Debt Applicable to City of Boston (A)	City of Boston Share of Debt
City of Boston . . . . .	\$365,423	100.00%	\$365,423
MBTA . . . . .	137,453	42.19%	57,991
MDC . . . . .	40,583	19.20%	7,792
Total . . . . .	—	—	<u>\$431,206</u>

(A) Annual installments are included in MBTA and MDC assessments payable from General Revenue.

**CITY OF BOSTON**  
**EXHIBIT S-8**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT**  
**TO GROSS GOVERNMENTAL OPERATING EXPENDITURES**  
**Last Five Years**  
**(\$ in thousands)**

Fiscal Year	Principal	Interest	Total Debt Service	Gross Governmental Operating Expenditures	Percent of Debt Service to Gross Governmental Operating Expenditures
<b>1983</b>	\$45,521	\$29,775	\$75,286	\$673,079	11.2%
<b>1984</b>	42,556	28,299	70,855	668,391	10.6%
<b>1985</b>	45,116	31,162	76,278	708,647	10.8%
<b>1986</b>	47,072	35,799	82,871	721,393	11.5%
<b>1987</b>	48,624	37,357	85,981	818,984	10.5%

# CITY OF BOSTON AND COUNTY OF SUFFOLK

## EXHIBIT S-9

### DEMOGRAPHIC STATISTICS

#### Years of School Completed for Persons Age 25 and Over, 1970-1985\*

	1985		1980		1970	
	Persons	Percent	Persons	Percent	Persons	Percent
0-8 years .....	35,380	10.0%	54,932	16.6%	91,582	26.1%
1-3 years of high school .....	56,608	16.0	49,407	14.9	71,511	20.4
High school graduate .....	116,754	33.0	115,787	35.0	120,350	34.3
1-3 years college .....	67,222	19.0	43,451	13.2	30,876	8.8
4 or more years of college .....	77,836	22.0	67,073	20.3	36,245	10.4
Total .....	353,800	100.0	330,650	100.0	350,564	100.0

\* To some extent, the improvement achieved in education reflects an increased age in the City's population.

SOURCE: U. S. Bureau of the Census.

#### Per Capita Personal Income Comparisons, 1970-1987 (in current year dollars, not adjusted for inflation)

	United States	New England	Massachusetts	Metro. Boston*	Suffolk County*
1970 .....	\$ 4,051	\$ 4,445	\$ 4,514	\$ 4,782	\$ 4,691
1980 .....	9,919	10,542	10,612	11,133	10,359
1982 .....	11,482	12,569	12,755	13,493	12,161
1985 .....	13,908	15,956	16,324	17,411	15,646
1986 .....	14,636	17,175	17,657	18,959	17,179
1987 .....	15,430	18,329	18,926	NA	NA

\*NOTES: Metropolitan Boston denotes the Consolidated Metropolitan Statistical Area (CMSA) which is a larger size than the PMSA. The City constitutes about 87% of Suffolk County population.

SOURCE: U. S. Dept. of Commerce, Bureau of Economic Analysis, April 1988. (Metropolitan and County Data for 1987 is not yet available.)



# CITY OF BOSTON AND COUNTY OF SUFFOLK

## EXHIBIT S-9

### DEMOGRAPHIC STATISTICS

#### Population of the State, Boston Metropolitan Area, and City 1970, 1980, and 1986

	<u>1970</u>	<u>1980</u>	<u>1986</u>	<u>Change 1970-1980</u>	<u>Change 1980-1986</u>	<u>Percent Change 1970-1980</u>	<u>Percent Change 1980-1986</u>
Massachusetts . . . . .	5,689,170	5,737,037	5,834,000	47,867	96,963	0.8%	1.7%
Metropolitan Boston . . . . .	2,899,101	2,763,357	2,824,200*	-135,774	60,843*	- 4.7%	2.2%*
City of Boston . . . . .	641,071	562,994	573,600	- 78,077	10,606	-12.2%	1.9%

SOURCE: U. S. Bureau of the Census.

\* Note: Because of a metropolitan area geography change from SMSA to PMSA, the 1980-1986 change is based on a PMSA population of 2,805,911 in 1980. 1970-1980 change based on old definition using SMSA data.

#### Unemployment Rates

	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>March (1) 1987</u>
City . . . . .	4.9%	12.8%	6.1%	9.1%	7.8%	5.5%	4.6%	4.4%	3.2%	4.1%
Boston PMSA(2) . . . . .	4.0	10.5	5.0	6.7	5.8	4.1	3.4	3.3	2.7	3.6
Massachusetts . . . . .	4.6	11.2	5.6	7.9	6.9	4.8	3.9	3.8	3.2	4.5
New England . . . . .	4.9	10.3	5.9	7.8	6.8	4.9	4.4	3.9	3.3	4.3
United States . . . . .	4.9	8.5	7.1	9.7	9.6	7.1	7.2	7.0	6.2	6.9

(1) Monthly rates are not seasonally adjusted.

(2) Primary Metropolitan Statistical Area.

SOURCES: U. S. Bureau of Labor Statistics; Massachusetts Division of Employment Security.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-10**  
**LARGEST TAXPAYERS: CITY OF BOSTON, FISCAL 1987 (1)**

	Personal Property	Real Property	Total Value	Total Taxes
1. Boston Edison	\$765,000,000	\$383,928,700	\$1,148,928,700	\$27,052,271
2. John Hancock Mutual Life Ins.		593,980,016	593,980,016	13,988,239
3. Prudential Life Ins. Co. (2)		580,000,000	580,000,000	10,670,344
4. Clarence J. Harwood Trust		300,480,004	300,480,004	7,076,304
5. Boston Gas Company	249,600,000	18,590,500	268,190,500	6,301,745
6. New England Telephone Co.	144,532,900	106,971,000	251,503,900	5,922,917
7. Bertram Drucker Trust		247,968,000	247,968,000	5,839,646
8. Massachusetts Port Auth. (3)		1,003,490,000	1,003,490,000	5,522,152
9. David Daily Trust		226,561,508	226,561,508	5,335,524
10. Olympia & York		213,934,000	213,934,000	5,038,146
11. UDIC (Copley Place)		211,724,000	211,724,000	4,986,100
12. Bostrose Assocs		201,501,012	201,501,012	4,745,349
13. Equitable Life Assur. Soc.		198,665,504	199,665,504	4,678,572
14. Federal Reserve Bank		171,418,496	171,418,496	4,036,906
15. Post Off. Sq. Co.		164,385,008	164,385,008	3,871,267
16. Hexalon Real Estate		155,463,504	155,463,504	3,661,166
17. Rose David, et al.		151,113,508	151,113,508	3,558,723
18. Center Plaza Assoc. Mass. LPS		119,904,500	119,904,500	2,823,751
19. Faneuil Hall Market Lessee		114,500,000	114,500,000	2,696,475
20. Charles River Plaza		427,760,504	427,760,504	2,487,377
21. 28 State St. Assoc.		98,210,004	98,210,004	2,312,846
22. Marriott Urban Lessee		86,943,504	86,943,504	2,047,520
23. Harvey Rothenberg Trsts (2)		106,500,000	106,500,000	1,762,888
24. 260 Franklin Inc.		72,427,000	72,427,000	1,705,656
25. Westban Hotel Venture Lessee		67,927,000	67,927,000	1,599,681
26. Thanos Eleanor Trsts		64,315,000	64,315,000	1,514,618
27. BC Phase 2 Assocs.		63,026,500	63,026,500	1,484,274
28. New England Mutual Life Ins. Co.		62,850,500	62,850,500	1,480,129
29. Cablevision of Boston	62,600,000	—	62,600,000	1,474,230
30. Teachers Rlty. Corp. Ohio Corp.		54,023,000	54,023,000	1,272,242
31. Travelers Ins. Co.		53,091,000	53,091,000	1,250,293
32. Frigmore G. Daniel Trsts		51,105,500	51,105,500	1,203,535
33. Federal Develop. Inc.		50,544,000	50,544,000	1,190,311
34. Marketplace Center LPS		48,122,000	48,122,000	1,133,273
35. Harborsista Assoc. Ct. LPS		46,489,500	46,489,500	1,094,828

**NOTES**

1. Includes only Major Parcels.
2. 121A Payment.
3. Payments in Lieu of Taxes.

Note: Prudential Ins. Co. sold 28 State St. and therefore taxes were decreased by \$2.4 mil.

**EXHIBIT S-11**  
**CITY OF BOSTON EMPLOYMENT BY INDUSTRY: 1976, 1980-1987**

Industry	1976	1980	1981	1982	1983	1984	1985	1986	1987
Agri./Fores./Fish./Mining	1,045	908	1,007	1,145	1,186	1,285	1,283	1,370	1,450
Construction	14,618	11,443	11,702	11,921	11,896	12,783	13,654	14,490	15,828
Manufacturing	53,507	52,337	51,114	49,977	47,296	47,264	42,535	39,594	37,295
Transportation/Comm./Pub. Util.	34,802	37,496	37,856	36,738	37,489	39,119	36,588	35,361	35,648
Wholesale Trade	31,669	28,468	28,404	26,301	27,174	28,899	25,799	26,686	26,077
Retail Trade	57,827	58,568	58,354	57,774	59,439	66,905	63,658	63,987	63,231
Finance/Ins./Real Estate	65,129	73,782	76,907	78,493	79,349	81,676	85,107	88,930	94,036
Banking	16,511	18,252	19,435	20,591	20,965	21,863	23,390	24,484	24,105
Securities	8,637	10,442	11,232	11,735	12,711	13,491	14,565	17,304	21,102
Insurance	32,262	35,150	35,285	35,106	34,495	33,978	33,749	32,876	32,103
Real Estate & Other Investment	7,718	9,938	10,955	11,062	11,179	12,344	13,404	14,266	16,726
Services	167,437	200,650	201,612	206,280	212,978	220,083	225,852	236,536	243,728
Hotel	6,949	6,377	6,723	7,634	8,624	9,265	10,246	10,500	11,351
Health	56,423	63,806	63,172	64,278	64,840	65,853	65,855	68,343	70,319
Educational	20,780	25,729	25,669	25,900	27,233	27,380	27,696	28,264	29,342
Cultural	6,278	6,061	5,563	5,650	6,110	6,147	6,274	7,370	7,431
Soc./Non-profit	17,197	19,496	19,562	19,547	19,862	20,789	20,471	21,186	20,721
Business	27,302	37,579	37,631	38,180	40,559	43,742	47,183	50,687	54,616
Professional	21,520	30,948	32,849	34,457	34,766	35,221	35,921	37,765	37,550
Personal & Repair	10,988	10,655	10,443	10,633	10,984	11,687	12,207	12,422	12,398
Government	84,865	97,321	94,743	89,386	92,143	92,693	97,528	99,353	103,045
<b>Total</b>	<b>510,899</b>	<b>560,973</b>	<b>561,699</b>	<b>558,014</b>	<b>568,950</b>	<b>590,708</b>	<b>592,003</b>	<b>606,306</b>	<b>620,338</b>

NOTE: Boston employment is estimated using the Bureau of Economic Analysis, Regional Economic Information System database for Suffolk County. The data on cities and towns employment from Massachusetts Division of Employment Security is used to determine the percentage of Suffolk county employment that is accounted for by the City of Boston.

SOURCES: U. S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division. "Regional Economic Information System database, Suffolk County, April 1986." Massachusetts Division of Employment Security. **Employment and Wages in Massachusetts' Cities and Towns, 1980-1985, and 1967-1979.** Boston Redevelopment Authority, Department of Policy Development and Research.

BA 12/29/1987

**EXHIBIT S-12**  
**Number of Officials and Employees of City and County Departments as Required**  
**Under the Provisions of Chapter 486, Section 27, of the Acts of 1909 as**  
**Amended (City Charter)**

	Feb. 1 1978	Feb. 1 1979	Feb. 1 1980	Feb. 1 1981	Feb. 1 1982	Feb. 1 1983	Feb. 1 1984	Feb. 1 1985	Feb. 1 1986	Feb. 1 1987
Mayor's Office . . . . .	28	32	32	46	12	43	88	12	22	25
Arts & Humanities . . . . .	—	—	—	—	—	—	—	—	—	—
Board of Rent Appeal . . . . .	48	38	33	38	35	12	12	—	—	4
Rent Equity Board . . . . .	—	—	—	—	—	—	—	—	—	50
Rent Control Adm. . . . .	—	—	—	—	—	—	—	29	—	—
Bond Allotment Plan . . . . .	2	1	2	2	2	1	—	—	—	—
Commission on Affairs of the Elderly . . . . .	20	27	88	131	104	107	196	93	82	80
Commission on the Handicapped . . . . .	—	—	—	—	—	2	3	4	3	3
Public Celebrations Department . . . . .	1	—	—	1	1	1	—	—	—	—
Model Neighborhood Board . . . . .	—	—	—	—	—	—	—	—	—	—
Neighborhood Services . . . . .	—	—	—	—	—	—	—	—	—	41
Conservation Commission . . . . .	—	—	—	—	—	9	15	—	—	—
Youth Activities Commission . . . . .	37	36	99	141	—	—	—	—	—	—
Human Task Force . . . . .	18	16	26	34	20	—	—	—	—	—
Human Rights . . . . .	—	—	—	—	—	—	—	—	—	4
Economic Development and Industrial Commission . . . . .	18	18	12	17	16	11	10	6	5	—
Council on Drug Abuse . . . . .	5	3	6	3	—	—	—	—	—	—
Safe Streets Act . . . . .	19	17	15	—	—	—	—	—	—	—
Office of Federal Relations . . . . .	—	—	—	8	9	—	—	—	—	—
Office of Fiscal Affairs . . . . .	—	—	—	15	13	11	13	6	—	—
Office of Community Transportation . . . . .	—	—	—	—	—	—	—	—	—	11
Office of Criminal Justice . . . . .	—	—	—	3	6	—	—	—	—	—
Community Services Administration . . . . .	—	—	—	4	—	2	12	5	—	—
Office of Constituent Services . . . . .	—	—	—	—	—	—	—	—	15	—
Mayor's Press Office . . . . .	—	—	—	—	—	—	—	—	—	4
Business and Cultural Development . . . . .	—	—	—	6	—	—	—	13	12	15
Capital Planning . . . . .	—	—	—	—	—	—	—	—	3	6
Consumers Affairs . . . . .	—	—	—	—	—	—	—	14	9	15
Women's Commission . . . . .	—	—	—	—	—	—	—	—	2	2
Mayor's Office Licensing . . . . .	—	—	—	—	—	—	—	1	2	—
Office of the Boston Bicentennial . . . . .	1	—	—	—	—	—	—	—	—	—
Office of Property Equalization . . . . .	—	—	—	—	—	137	136	—	—	—
Office of Public Service . . . . .	131	118	115	147	139	—	—	—	—	—
Office of Public Information . . . . .	—	—	—	—	—	—	—	1	4	—
Office of Community Participation . . . . .	—	—	—	—	—	—	—	11	—	—
Office of Policy Management/Cable . . . . .	—	—	—	—	—	—	—	22	8	12
Emergency Shelters Commission . . . . .	—	—	—	—	—	—	—	3	2	3
City Council . . . . .	9	9	9	9	9	9	9	14	14	14
City Council Officers and Employees . . . . .	26	30	29	31	32	31	36	47	54	50
Administrative Services Department:										
Administrative Division . . . . .	10	7	7	9	9	16	17	17	16	—
Personnel and Budget Division . . . . .	73	57	88	110	93	85	65	—	—	—
Cable Comm. . . . .	—	—	—	—	—	—	—	24	23	10
Personnel . . . . .	—	—	—	—	—	—	—	35	34	41
Purchasing Division . . . . .	29	27	30	34	28	22	23	26	24	28
Printing Section . . . . .	66	58	68	76	60	56	61	70	58	54
Data Processing . . . . .	51	45	45	51	48	55	69	72	71	82
Health Insurance Unit . . . . .	—	—	—	—	—	—	17	19	19	16
Labor Relations . . . . .	—	—	—	—	—	—	10	9	8	9
Adm. Pro & Eval. . . . .	—	—	—	—	—	—	19	24	—	47
Trust Office . . . . .	—	—	—	—	—	—	—	4	—	3
Adm. Contract Mgt. . . . .	—	—	—	—	—	—	—	—	—	—
Assessing Department . . . . .	82	77	93	89	81	61	78	197	186	165
Auditing Department . . . . .	54	60	56	63	49	36	41	53	43	46
Auditorium Commission . . . . .	12	9	9	9	7	5	—	—	—	—
Boston Arena . . . . .	—	12	—	—	—	—	—	—	—	—
Boston Retirement Board . . . . .	28	28	29	28	28	36	42	48	38	40
Boston Retirement Board Members . . . . .	—	—	—	—	—	—	1	1	1	1
Boston Traffic Department . . . . .	184	163	181	181	158	153	248	261	241	324
Parking Clerk . . . . .	—	—	—	—	—	—	37	48	52	50
Building Department . . . . .	124	126	124	126	114	108	96	—	—	—
Board of Appeals . . . . .	9	9	9	3	4	4	12	—	—	—
Board of Examiners . . . . .	5	4	4	2	3	2	5	—	—	—
City Clerk Department . . . . .	14	14	15	16	11	10	11	14	11	14
Registry Division . . . . .	35	32	32	32	32	24	25	22	19	29
City Record, Publication of . . . . .	2	2	2	2	3	2	2	2	—	—
Conservation Commission . . . . .	2	2	3	—	—	—	—	—	—	—
Community Schools Administration . . . . .	—	—	—	105	52	36	146	167	131	230
Election Department . . . . .	42	44	67	67	65	23	40	55	50	50
Listing Board . . . . .	—	—	—	—	—	—	6	18	135	238
Finance Commission . . . . .	6	7	6	7	3	4	3	4	4	4
Fire Department . . . . .	2,084	2,091	2,107	2,213	2,017	1,510	1,707	1,715	1,725	1,790
Hospital Department:										
Hospital Division . . . . .	3,354	2,838	3,372	—	3,300	—	—	3,122	3,116	3,085
Sanitorium Division . . . . .	408	418	406	4,248	407	3,830	4,039	364	404	369
Long Island Hospital Division . . . . .	512	511	548	—	550	—	—	487	401	405
Housing Inspection Department:										
Inspectional Services . . . . .	204	204	206	266	244	224	250	275	227	275
Weights and Measures Division . . . . .	16	17	16	16	16	14	15	—	—	—
Law Department . . . . .	56	50	55	61	53	61	59	63	58	55
Workmen's Compensation Service . . . . .	5	6	5	8	8	9	12	10	10	11
Library Department . . . . .	712	635	689	758	584	474	625	629	660	653
Licensing Board . . . . .	14	14	14	13	14	14	14	14	13	12
Parks and Recreation Department . . . . .	430	390	393	570	397	222	229	262	255	188
Cemetery Division . . . . .	47	45	39	41	32	27	32	38	33	28
Police Department . . . . .	2,933	2,770	2,702	3,057	2,930	2,096	2,262	2,453	2,388	2,461
Public Facilities Department . . . . .	105	69	78	102	234	106	216	235	225	287
Public Works Department:										
Incinerator . . . . .	30	29	36	32	27	29	30	91	92	6
Automotive Division . . . . .	98	95	90	88	80	70	58	—	—	—
Bridge Service . . . . .	43	43	45	48	22	21	48	41	41	—
Highway Service . . . . .	413	364	378	226	367	220	361	231	213	325
Engineering . . . . .	102	96	91	75	63	64	90	25	24	98
Sewer Service . . . . .	89	—	—	—	—	—	—	—	—	—
Frontage Rd. . . . .	49	49	50	46	—	—	—	—	—	182
Water Service . . . . .	245	—	—	—	—	—	—	—	—	—
Real Property Department:										
Real Property Division . . . . .	16	18	17	15	12	18	22	168	117	112
Buildings Division . . . . .	151	139	147	179	169	78	91	—	—	20
County . . . . .	4	4	3	3	—	—	—	—	—	—
Real Property — Property . . . . .	—	—	—	—	—	—	—	21	15	16
Environmental Division . . . . .	—	—	—	—	—	—	—	13	15	15
Public Improvements . . . . .	—	—	—	—	—	—	—	6	—	—
Fair Housing . . . . .	—	—	—	—	—	—	—	7	8	7
School Buildings Department . . . . .	66	66	68	58	54	50	52	—	—	—
School Department . . . . .	7,988	8,162	7,949	7,992	8,176	7,616	7,748	8,127	8,323	8,534
Treasury:										
Collecting Division . . . . .	59	46	50	50	46	44	34	30	26	33
Treasury Division . . . . .	33	35	36	30	23	23	25	25	30	29
Veterans' Services Department . . . . .	51	49	49	46	43	20	28	27	23	23
Veterans' Graves Registration . . . . .	3	3	3	3	3	3	3	3	3	3
Total — County of Suffolk . . . . .	1,584	1,686	1,738	611	597	559	627	626	622	664
Total . . . . .	23,106	22,065	22,727	22,510	21,729	18,529	19,971	20,761	20,687	21,495

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-13**  
**GENERAL FUND**  
**PROPERTY TAXES AND ASSESSMENTS RECEIVABLE**  
**FOR THE YEAR ENDED JUNE 30, 1987**

Real and Personal Property Taxes Receivable		
Levy of Fiscal Year 1987 .....	\$17,337,359	
Levy of Fiscal Year 1986 and Prior .....	<u>27,995,783</u>	
Total Real and Personal Property Taxes Receivable .....		45,333,141
Tax Titles Receivable (Exhibit S-14) .....		49,460,529
Tax Possessions Receivable (Exhibit S-15) .....		<u>30,056,534</u>
Subtotal .....		124,850,205
Adjustments to conform to detail with Audited Financial Statements (Note A) .....		<u>(111,235,057)</u>
Balance June 30, 1987 — Exhibit A .....		<u><u>13,615,147</u></u>

Note A.		
Reserve for Abatements and Uncollectible Taxes .....	(55,329,413)	
Adjustment for G.A.A.P. ....	<u>(55,905,644)</u>	
		<u><u>\$(111,235,057)</u></u>

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-14**  
**GENERAL FUND**  
**TAX TITLES RECEIVABLE**  
**YEAR ENDED JUNE 30, 1987**

Balance, July 1, 1986 .....		\$56,273,331
Additions:		
Transfers from:		
Tax Accounts .....	13,033,334	
Tax Possessions (Exhibit S-15) .....	650,306	
Building Demolition .....	212,798	
Maintenance Cost .....	—	
Cost/Interest billed to property owners .....	1,006,324	
Cancelled cost and interest .....	20,703	
		<u>14,923,465</u>
Deductions:		
Transfers to Tax Possessions (Exhibit S-15) .....	3,018,454	
Collections .....	15,895,830	
Abatements .....	2,419,200	
Reinstatement to Tax Accounts .....	402,783	
		<u>21,736,267</u>
Balance, June 30, 1987 (Exhibit S-13) .....		<u><u>\$49,460,529</u></u>

Note A: The Tax Title Receivable reflects taxes and other charges receivable from properties for which the City has taken title in accordance with Section 53 of Chapter 60 of the General Laws.

**CITY OF BOSTON AND COUNTY OF SUFFOLK**  
**EXHIBIT S-15**  
**GENERAL FUND**  
**TAX POSSESSION RECEIVABLE**  
**YEAR ENDED JUNE 30, 1987**

Balance, July 1, 1986 .....	\$27,961,607
-----------------------------	--------------

Additions:	
Transfers from:	
Tax Accounts .....	114,435
Tax Titles (Exhibit S-14) .....	3,018,454
Building Demolition .....	5,727
Other; cost and interest .....	2,010,109
	5,148,725

Deductions:	
Loss on sale of foreclosed property .....	2,403,040
Withdrawal from Tax Possession .....	453
Transferred to Tax Titles (Exhibit S-14) .....	650,306
	3,053,799
Balance, June 30, 1987 (Exhibit S-13) .....	\$30,056,533

**Note A:** The Tax Possession Receivable reflects taxes and other charges receivable from properties which have been foreclosed in accordance with Section 65 of Chapter 60 of the General Laws.

**CITY OF BOSTON, MASSACHUSETTS**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 1987**

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Program or Award Amount	Unexpended Balance (Deficit) 7-1-86	Grant Revenue F.Y. 1987	Expenditures F.Y. 1987	Unexpended Balance (Deficit) 6-30-87	Encumbrances 6-30-87	Unencumbered Balance 6-30-87
U.S. Department of Agriculture (note 3) Passed through State Department of Education: Food Distribution School Breakfast and National School Lunch Program Total U.S. Department of Agriculture	10.550 10.553 and 10.555	\$ 635,175 89,228,787 89,863,962	— \$ 6,156,990 6,156,990	\$ 635,175 9,266,639 9,901,814	\$ 635,175 9,394,267 10,029,442	— \$ 6,029,362 6,029,362	— \$ 914,162 914,162	— \$ 5,115,200 5,115,200
U.S. Department of Health and Human Services Passed through State Department of Elderly Affairs: Special Program for the Aging — Title III	13.633	655,245	7,330	272,868	77,081	203,117	—	203,117
U.S. Department of Housing and Urban Development Direct Program: Community Development Block Grant-Entitlement Urban Development Action Grant Homesteading Program Fair Housing Assistance Programs (FHAP) Total U.S. Department of Housing and Urban Development	14.218 14.221 14.222 14.401	350,757,265 25,775,341 — 76,250	(15,385,916) (16,380,067) (3,394,578) (1,794,503)	55,374,054 2,202,328 — 25,500	31,436,964 1,712,407 78,640 197,196	8,551,174 (15,890,146) (3,473,218) (1,966,199)	(102,340) 10,903,381 (78,640) 2,281	8,653,514 (26,793,527) (3,394,578) (1,968,480)
U.S. Department of Interior Direct Program: Urban Park and Recreation Recovery Program	15.919	376,608,856 767,730	(36,955,064) (111,411)	57,601,882 136,039	33,425,207 18,463	(12,778,389) 6,165	10,724,682 (15,000)	(23,503,071) 21,165

See accompanying notes to schedule of federal financial assistance.



**CITY OF BOSTON, MASSACHUSETTS**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 1987**

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Program or Award Amount	Unexpended Balance (Deficit) 7-1-86	Grant Revenue F.Y. 1987	Expenditures F.Y. 1987	Unexpended Balance (Deficit) 6-30-87	Encumbrances 6-30-87	Unencumbered Balance 6-30-87
U.S. Department of Justice Direct Program: Criminal Justice Discretionary Grant	116.574	\$ 80,000	—	\$ 21,692	\$ 37,110	\$(15,418)	\$ 361	\$ (15,779)
U.S. Department of Labor Passed through State Executive Office of Economic Affairs:								
Labor Management Relations and Cooperative Program	17.130	82,937	1,027,592	15,321	14,856	1,028,057	—	1,028,057
Employment Service	17.207	—	6,041,788	—	—	6,041,788	—	6,041,788
Comprehensive Employment and Training Act Program	17.202	—	46,434	—	—	46,434	—	46,434
Senior Community Service Employment Program	17.235	540,298	10,209	270,641	256,125	24,725	(600)	25,325
Employment and Training Assistance — Dislocated Workers	17.246	159,145	(6,777)	96,260	116	89,367	—	89,367
Job Training Partnership Act	17.250	29,190,602	(1,272,310)	8,025,222	6,665,401	87,511	(88,568)	176,079
Comprehensive Employment and Training Act Program — Title I	17.323	—	(7,550,266)	—	—	(7,550,266)	—	(7,550,266)
Total U.S. Department of Labor		29,972,982	(1,703,330)	8,407,444	6,936,498	(232,384)	(89,168)	(143,216)
U.S. Department of Transportation Passed through State Department of Transportation:								
Highway Beautification	20.214	—	426,741	—	—	426,741	—	426,741
U.S. Department of the Treasury Direct Program:								
State and Local Government Fiscal Assistance-Revenue Sharing	21.300	—	1,233,579	7,285,868	8,640,000	(120,553)	—	(120,553)
Action								
Direct Program: Retired Senior Volunteer Program	72.002	130,000	22,550	43,024	63,641	1,933	—	1,933

See accompanying notes to schedule of federal financial assistance.

**CITY OF BOSTON, MASSACHUSETTS**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 1987**

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Program or Award Amount	Unexpended Balance (Deficit) 7-1-86	Grant Revenue F.Y. 1987	Expenditures F.Y. 1987	Unexpended Balance (Deficit) 6-30-87	Encumbrances 6-30-87	Unencumbered Balance 6-30-87
U.S. Department of Energy Passed through State Department of Energy: Basic Energy Program Analysis and Field Operations Management	81.049	\$ 150,463	—	\$ 82,400	\$ 106,018	\$(23,618)	—	\$ (23,618)
Energy Conservation	81.041	—	\$ 292,364	—	—	292,364	—	292,364
Energy Technology Conservation	81.051	56,612	23,330	—	9,088	14,242	\$ (121)	14,363
Conservation for Instructional Buildings	81.052	32,377	—	—	19,770	(19,770)	4,800	(24,570)
Total U.S. Department of Energy		239,452	315,694	82,400	134,876	263,218	4,679	258,539
U.S. Department of Education Passed through State Department of Education: Bilingual Education	84.003	2,480,891	(1,184,215)	460,275	561,019	(1,284,959)	61,044	(1,346,003)
Education of Handicapped Children	84.009	1,821,436	(85,260)	940,097	641,712	213,125	5,161	207,964
Education Deprived Children — Chapter I	84.010	60,963,998	2,241,778	15,467,674	14,324,115	3,385,337	(103,375)	3,488,712
Assistance for Education of Handicapped Children	84.027	9,556,312	(1,182,723)	3,609,207	2,840,524	(414,040)	(241,834)	(172,206)
Vocation Education	84.048	5,838,847	(248,973)	1,713,103	1,479,396	(15,266)	(20,985)	5,719
Transition Program for Refugee Children	84.146	1,270,466	302,732	385,296	278,226	409,802	(41,448)	451,250
Improving School Programs — Chapter 2	84.151	6,336,929	1,267,980	1,506,368	1,860,299	914,049	(123,118)	1,037,167
Emergency Immigrant Education Assistance	84.162	464,930	56,660	200,064	52,327	204,397	(14,936)	219,333
State Grants for Strengthening the Skills of Teachers	84.164	152,457	39,648	5,000	33,802	10,846	3,195	7,651
Handicapped — Pre-school Incentive Grants	84.173	652,456	5,894	73,982	288,580	(208,704)	172,899	(381,603)
Total Passed Through State Department of Education		89,538,722	1,213,521	24,361,066	22,360,000	3,214,587	(303,397)	3,517,984

See accompanying notes to schedule of federal financial assistance.

**CITY OF BOSTON, MASSACHUSETTS  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 1987**

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Program or Award Amount	Unexpended Balance (Deficit) 7-1-86	Grant Revenue F.Y. 1987	Expenditures F.Y. 1987	Unexpended Balance (Deficit) 6-30-87	Encumbrances 6-30-87	Unencumbered Balance 6-30-87
Direct Programs:								
School Assistance in Federally Affected Areas	84.041	\$ 5,017,694	\$ 3,255,470	\$ (756,774)	\$ 2,435,42	\$ 63,276	\$ (5,517)	\$ 68,793
Indian Education	84.060	103,410	18,180	40,652	56,424	2,408	(874)	3,282
Strengthening Research Library Sources	84.091	110,000	—	—	—	—	—	—
Total Direct Programs		5,231,104	3,273,650	(716,122)	2,491,844	65,684	(6,391)	72,075
Total U. S. Department of Education		94,769,826	4,487,171	23,644,944	24,851,844	3,280,271	(309,788)	3,590,059
National Archives and Records Administration								
Direct Program:								
National Historical Publications	89.003	115,000	13,593	40,000	50,015	3,578	(5,153)	8,731
Additional Federal Assistance								
U.S. Department of Commerce								
Local Public Works	—	—	6,980,893	—	—	6,980,893	—	6,980,893
Total Federal Assistance (note 3)		\$593,203,053	\$ (19,125,264)	107,437,975	84,264,177	4,048,534	11,224,775	(7,176,241)

See accompanying notes to schedule of federal financial assistance.







Boston's Skyline Overlooking the Charles River.













